

MVB FINANCIAL CORP
Form DEF 14A
April 12, 2016
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than the Registrant
Check the appropriate box:
Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material under §240.14a-12

MVB Financial Corp.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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- (1) Amount Previously Paid:
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- (3) Filing Party:
- (4) Date Filed:

MVB FINANCIAL CORP.

301 VIRGINIA AVENUE

FAIRMONT, WEST VIRGINIA 26554-2777

(304) 363-4800

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD MAY 17, 2016

To the Shareholders:

The Annual Meeting of Shareholders of MVB Financial Corp. (“MVB”) will be held at the MVB Bank office, 400 Washington Street, East, Charleston, WV 25301, at 10:00 a.m. on May 17, 2016. This meeting is for the purposes of considering and voting upon proposals:

1. To elect two directors for a three-year term.
2. To approve a non-binding advisory proposal on the compensation of the Named Executive Officers.
3. To act upon a proposal to approve the 2016 Annual Executive Performance Incentive Plan for the executive officers of MVB.
4. To ratify the appointment of Dixon Hughes Goodman, LLP as the independent registered accounting firm for MVB for the fiscal year ending December 31, 2016.
5. Any other business which may properly be brought before the meeting or any adjournment thereof.

Only those shareholders of record at the close of business on March 28, 2016, shall be entitled to notice of the meeting and to vote at the meeting. A list of stockholders entitled to vote at the Annual Meeting is available for inspection at our principal executive office at 301 Virginia Avenue, Fairmont, WV 26554. The approximate date on which this Proxy Statement and form of proxy are first sent or given to security holders is April 12, 2016.

By Order of the Board of Directors,

Larry F. Mazza
President and Chief Executive Officer

Please sign and return the enclosed proxy in the enclosed self-addressed, postage-paid envelope as promptly as possible, whether or not you plan to attend the meeting in person. If you do attend the meeting, you may vote your shares in person, even though you have previously signed and returned your proxy.

April 12, 2016

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 17, 2016—THE NOTICE OF MEETING, THE PROXY STATEMENT, THE PROXY CARD AND THE ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2015, ARE AVAILABLE AT <http://www.mvbbanking.com/2016shareholders>. DIRECTIONS TO THE ANNUAL MEETING WHERE YOU MAY VOTE IN PERSON CAN BE FOUND ON <http://www.mvbbanking.com/2016shareholders>.

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PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

May 17, 2016

This statement is furnished in connection with the solicitation of proxies for use at the Annual Meeting of Shareholders of MVB Financial Corp. (“MVB”, or the “Company”) to be held on May 17, 2016, at the time and for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders.

Solicitation of Proxies

The solicitation of proxies is made by the Board of Directors of MVB. These proxies enable shareholders to vote on all matters that are scheduled to come before the meeting. If the enclosed proxy is signed and returned, it will be voted as directed; or if not directed, the proxy will be voted “FOR” all of the proposals to be submitted to the vote of shareholders described in the Notice of Annual Meeting and this Proxy Statement. Other than the matters listed in the Notice of Annual Meeting of Shareholders, the Board knows of no additional matters that will be presented for consideration at the Annual Meeting.

A shareholder executing the proxy may revoke it at any time before it is voted:

- (a) by notifying MVB representatives Larry F. Mazza or Lisa J. McCormick in person;
- (b) by giving written notice to MVB. The revocation should be delivered to Lisa J. McCormick, Corporate Secretary, 301 Virginia Avenue, Fairmont, WV 26554;
- (c) by submitting to MVB a subsequently dated proxy; or
- (d) by attending the meeting and withdrawing the proxy before it is voted at the meeting.

The expenses of the solicitation of proxies will be paid by MVB. In addition to this solicitation by mail, directors, officers and employees of MVB or one or more of its subsidiaries – MVB Bank, Inc. (“MVB Bank”), Potomac Mortgage Group, Inc., which does business as MVB Mortgage (“MVB Mortgage”), and MVB Insurance, LLC (“MVB Insurance”) – may solicit proxies personally or by telephone, although no person will be specifically engaged for that purpose.

Eligibility of Stock for Voting Purposes

Pursuant to the Bylaws of MVB, the Board of Directors has fixed March 28, 2016, as the record date for the purpose of determining the shareholders entitled to notice of, and to vote at, the meeting or any adjournment thereof, and only shareholders of record at the close of business on that date are entitled to such notice and to vote at such meeting or any adjournment thereof.

Each share of MVB common stock has one vote on each matter. As of the Record Date, there were 8,062,795 shares of MVB common stock issued and outstanding, held by approximately 1,157 holders of record. In addition to shareholders of record of MVB’s common stock, beneficial owners of shares held in street name as of the Record Date can vote. There are 20 million shares of common stock authorized.

If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions then, under applicable rules, the organization that holds your shares may generally vote your shares in their discretion on “routine” matters but cannot vote on “non-routine” matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, that organization will inform the inspector of election that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a “broker non-vote.”

The ratification of the appointment of Dixon Hughes Goodman, LLP as MVB’s independent registered accounting firm for 2016 (Proposal No. 4) is considered a routine matter under applicable rules. A broker or other nominee may generally vote on routine matters, and therefore no broker non-votes are expected in connection with Proposal No. 4.

Each of the other proposals, including the election of directors (Proposal No. 1), the proposal to approve a non-binding advisory proposal on the compensation of the Named Executive Officers, (Proposal No. 2) and the proposal to approve the 2016 Annual Executive Performance Incentive Plan for the executive officers of MVB (Proposal No. 3) are considered non-routine matters under applicable rules. A broker or other nominee cannot vote without instructions on non-routine matters, and therefore broker non-votes may exist in connection with Proposals No. 1 through No. 3.

The principal holders of MVB Common Stock are discussed under the section of this Proxy Statement entitled, "Principal Holders of Voting Securities."

Quorum Requirement

A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If less than a majority of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum. Broker non-votes and abstentions are counted for purposes of determining whether a quorum is present.

Voting Requirements

Only "FOR" and "AGAINST" votes are counted for purposes of determining the votes received in connection with each proposal. Approval of nominees is by plurality and approval of other proposals is by affirmative vote of the majority of shares present in person or by proxy and entitled to vote. An affirmative vote of at least a majority of shares necessary to constitute a quorum is also required.

Broker non-votes and abstentions have no impact on approval of directors as directors are elected by a plurality of votes cast. Proposal Nos. 2, 3 and 4 require an affirmative vote of the majority of shares present in person or by proxy and, therefore, an abstention is generally the same as an "AGAINST" vote. A broker non-vote will not be treated as entitled to vote for approval of Proposal Nos. 2, 3 and 4 and, therefore, will generally have no impact on such proposals. In order to minimize the number of broker non-votes, MVB encourages you to provide voting instructions on each proposal to the organization that holds your shares by carefully following the instructions provided in the Notice and the voting instruction form.

PURPOSES OF MEETING

1.ELECTION OF DIRECTORS

General

The Bylaws of MVB currently provide for a Board of Directors composed of five to 25 members to be elected annually. The Board has set 12 as the number of directors of MVB for the upcoming year. This is two less than the number that was established in 2015.

Directors are elected by a plurality of the votes cast. Therefore, a vote withheld may not affect the outcome of the election. As required by West Virginia law, each share is entitled to one vote per nominee, unless a shareholder requests cumulative voting for directors at least 48 hours before the meeting. If a shareholder properly requests cumulative voting for directors, then each MVB shareholder will have the right to vote the number of shares owned by that shareholder for as many persons as there are directors to be elected, or to cumulate such shares and give one candidate a number of votes equal to the number of directors multiplied by the number of shares owned, or to distribute them on the same principle among as many candidates as the shareholder sees fit. If any shares are voted cumulatively for the election of directors, the proxies, unless otherwise directed, shall have full discretion and authority to cumulate their votes and vote for less than all such nominees. For all other purposes, each share is entitled to one vote.

Management Nominees to the Board of MVB

The Articles of Incorporation provide for staggered terms for directors. The two individuals identified below represent management nominees to the Board of Directors. Both will be elected for a three-year term. Following the election of the two nominees, MVB will have three classes of directors. One class of directors will consist of two board members, one will consist of four board members, while the third class will include six board members.

| Directors | Age as of March 28, 2016 | Director and/or Officer Since | Term Expires | Principal Occupation During the Last Five Years |
|------------------------|--------------------------------|----------------------------------|-----------------|--|
| H. Edward Dean, III | 47 | 2012 | 2019 | President & CEO – Potomac Mortgage Group, Inc. (dba MVB Mortgage), a wholly owned subsidiary of MVB Bank (acquired December 2012); Former President & CEO – Potomac Mortgage Group, LLC, |

Former President & CEO – George Mason Mortgage, LLC

| | | | | |
|-------------------------|----|------|------|----------------------------------|
| J. Christopher Pallotta | 66 | 1999 | 2019 | Director – Bond Insurance Agency |
|-------------------------|----|------|------|----------------------------------|

Director Nominee Business Experience

H. Edward Dean, III – MVB Director. Mr. Dean is President & CEO of Potomac Mortgage Group, Inc. (dba MVB Mortgage), a wholly owned subsidiary of MVB Bank (acquired December 2012). He is a graduate of West Virginia University with a B.S. Degree in Accounting and pursued advanced degree work at West Virginia Wesleyan College. Mr. Dean was nominated because of his extensive knowledge of the mortgage loan industry and his position as President and CEO of Potomac Mortgage Group, Inc.

J. Christopher Pallotta – MVB Founding Director. Mr. Pallotta is a graduate of Fairmont State University with a B.S. in Business Administration. He has been involved in the insurance and related securities business in North Central West Virginia market area for over 40 years. He is also the owner of other small businesses in the MVB market area. He is a life-long resident of North Central West Virginia and is active in community organizations. Mr. Pallotta was nominated because, as a founding director of MVB, he has extensive knowledge of MVB, its operations and market area as well as for his experience and expertise in the areas of insurance and securities.

Management and Directors:

In addition to the nominees, the following are the remaining directors and the executive officers of MVB.

| Directors | Age as of March 28, 2016 | Director and/or Officer Since | Term Expires | Principal Occupation During the Last Five Years |
|-----------------------------|--------------------------------|----------------------------------|-----------------|--|
| David B. Alvarez | 52 | 2013 | 2018 | President of Energy Transportation, LLC |
| Stephen R. Brooks | 67 | 1999 | 2017 | Member & Attorney – Flaherty Sensabaugh Bonasso PLLC (a law firm) |
| James J. Cava, Jr. | 50 | 2013 | 2017 | Managing Member – Cava & Banko, PLLC, Certified Public Accountants |
| Dr. Joseph P. Cincinnati | 51 | 2009 | 2018 | Orthopedic Surgeon |
| John W. Ebert | 56 | 2013 | 2018 | President – J.W. Ebert Corporation, a McDonald’s Restaurant franchise |
| Gayle C. Manchin | 68 | 2013 | 2017 | Retired President – WV Board of Education; Former First Lady of West Virginia (2005-2010) |
| Larry F. Mazza* | 55 | 2005 | 2017 | President & Chief Executive Officer – MVB and Chief Executive Officer– MVB Bank; Former Chief Executive Officer-MVB Harrison, Inc. |
| Dr. Kelly R. Nelson | 56 | 2005 | 2018 | Physician |
| Nitesh S. Patel | 52 | 1999 | 2017 | Business Consultant; Former President & Chief Executive Officer-D.N. American, Inc. (software development company) |
| Jimmy D. Staton | 55 | 2013 | 2017 | Executive Vice President, Venture Global LNG; Former Executive Vice President & Group CEO for NiSource Gas Transmission & Storage |

* Mr. Mazza is also a member of the Board of Directors of PDC Energy, Inc.

Executive Officers of MVB Financial Corp. (Non-Nominees):

| Executive Officer | Age as of March 28, 2016 | Officer Since | Title During the Last Five Years |
|--------------------|--------------------------|---------------|---|
| Donald T. Robinson | 41 | 2011 | Executive Vice President & Chief Financial Officer; Former Chief Operating Officer –MVB and President – MVB Bank; Former North Regional President – MVB |

There are no family relationships among the directors, director nominees or executive officers of MVB or the Bank.

Other than previously disclosed, no MVB Board member has been a member of the board of another public company during the past five years.

The Board of Directors of MVB met 22 times, and the Board of Directors of MVB Bank met 18 times during 2015. All directors attended 75% or more of the meetings held by the Board of Directors and committees thereof of which the director is a member, except for Director Patel, who attended 73%.

In order to meet their responsibilities, directors are expected to attend board and committee meetings as well as the annual meeting of shareholders. All directors attended the 2015 Annual Meeting of Shareholders, except for Directors Dean and Manchin.

Leadership Structure of the Board

The Board Chair, Vice Chair and President/Chief Executive Officer (CEO) are three separate people. Throughout MVB's history, this has been the leadership model. The President/CEO is responsible for the day-to-day operations and performance of MVB. The Chair and Vice Chair are involved in management of meetings and matters of governance and corporate oversight. The Chair and Vice Chair also focus on monitoring the effectiveness of the President/CEO in implementing MVB's corporate strategy and ensuring that the Directors receive sufficient information, on a timely basis, to provide proper risk oversight.

A Governance Committee was established by MVB in December 2009. The Governance Committee's responsibilities are defined in its Charter. The Committee, among many things, reviews the committees of the Board and membership thereof, evaluates compliance with the Director Education Policy, evaluates the current Board areas of expertise and monitors such to determine if an adjustment of Board membership is necessary. The Governance Committee will also provide oversight on issues relating to the governance and operations of MVB.

The committee structure of MVB is such that the committees are responsible for and review the areas of greatest risk to MVB. Each is chaired by an independent director. MVB staff members are responsible to the Chairs of the committees for requested information necessary for proper committee functioning. Following on organizational enhancements made to manage enterprise risk, in January 2015, the Board of MVB created an Enterprise Risk Committee as a committee of the MVB Board of Directors, with a mandate to review the activities of the MVB Management Risk Committee. MVB risk management functions: ensure that the MVB Board of Directors is well-versed on risk issues and has the opportunity to question and provide guidance on day-to-day and long-term

MVB risk management activities; and work in coordination with other MVB Board of Directors committees and subcommittees that engage in risk management functions to ensure that there is comprehensive, coordinated enterprise risk management for MVB, among other functions.

Committees of the Board

MVB has a number of standing committees as described below.

Executive Committee. Composed of David B. Alvarez, Stephen R. Brooks – Chair, James J. Cava, Jr., John W. Ebert, Larry F. Mazza, Dr. Kelly R. Nelson, Nitesh S. Patel and Jimmy D. Staton. The purpose of the Committee is to help assure that MVB fulfills the responsibilities for effective board governance of MVB and its subsidiaries by: (1) providing Board presence and continuity between meetings of the Board; and (2) providing quick response capability in the event of emergencies or for relatively routine items requiring Board action. The Committee, between meetings of the Board, exercises the powers of the Board as appropriate in any case where immediate action is required and the matter is such that a special meeting of the full Board is not deemed necessary or possible. The Committee reports the results from these meetings to the Board of Directors. The Committee met 12 times in 2015.

Audit Committee. Composed of James J. Cava, Jr. - Chair, John W. Ebert, Gayle C. Manchin, Dr. Kelly R. Nelson and Jimmy D. Staton. The purpose is to review the results of the internal and external audits, review Reports of Examination from regulatory authorities and discuss the financial statements with management and external auditors and to report such to the Board of Directors.

The Audit Committee of MVB has not designated an individual who is considered to be an audit committee financial expert. This is true for the entire Board of Directors as well, because no one has been identified as meeting the guidelines set forth by Section 407 of the Sarbanes-Oxley Act of 2002, for an audit committee financial expert. In the small community market area of MVB, individuals meeting the required credentials under the Act are very rare. All members of the Board of Directors are successful business owners or organization leaders and have knowledge of the requirements to run such a successful business. The directors of MVB, including those who are members of the Audit Committee, believe that having separate internal and external audits and regulatory examinations assist in ensuring proper supervision, evaluation and reporting of MVB activities.

The Audit Committee met eight times in 2015. The Committee meets with representatives of Brown Edwards & Co., LLP, who are responsible for the internal audit function of MVB and Dixon Hughes Goodman, LLP, who are responsible for the annual certified audit, as well as with the members of the regulatory authorities upon completion of their examinations of MVB Bank or MVB. During these meetings, the active management of MVB Bank or MVB, including CEO Mazza and CFO Robinson, may be asked to leave the room to provide comfort of questioners and responders.

In the opinion of MVB's Board of Directors, none of the Board of Directors, except for Directors Dean and Mazza, has a relationship with MVB that would interfere with the exercise of independent judgment in carrying out their responsibilities as directors. None of them are or have for the past three years been employees of MVB, except for Directors Dean and Mazza and none of their immediate family members are or have for the past three years been executive officers of MVB or MVB Bank. In the opinion of MVB and its Board of Directors, the entire Board of Directors, except for Directors Dean and Mazza are "independent directors," as that term is defined in Rule 4200(a) (15) of the Nasdaq Marketplace Rules. The Board of Directors of MVB has adopted a written charter for the Audit Committee. A copy of the Charter of the Audit Committee is attached as Exhibit A to this Proxy Statement.

Report of the Audit Committee

The Audit Committee has reviewed and discussed the audited financial statements for the year ended December 31, 2015, with management. The Audit Committee has also discussed the audited financial statements with Dixon Hughes Goodman, LLP, MVB's independent accountants, as well as the matters required to be discussed by AU Section 380 (Communication with Audit Committees). The Audit Committee has received the written disclosures and the letter from Dixon Hughes Goodman, LLP, required by Public Company Accounting Oversight Board Rule 3526 regarding the independent accountant's communications and has discussed with Dixon Hughes Goodman, LLP, the independent accountants' independence. Based on this, the Audit Committee recommended to the Board of Directors (and the Board has approved) that the audited financial statements be included in MVB's Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Securities and Exchange Commission.

Submitted by the Audit Committee,

James J. Cava, Jr., Chair

John W. Ebert

Gayle C. Manchin

Dr. Kelly R. Nelson

Jimmy D. Staton

This report shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, unless MVB specifically incorporates this report by reference. It will not otherwise be filed under such Acts.

Finance Committee. Composed of David B. Alvarez, James J. Cava, Jr., John W. Ebert – Chair and Jimmy D. Staton. The purpose of the Committee is to help assure that MVB fulfills the responsibilities for effective board governance of MVB Financial and its subsidiaries by providing oversight and guidance regarding finance, budget, and facilities matters and to make recommendations, as appropriate and warranted. The Committee reports the results from these meetings to the Board of Directors. The Committee is a consolidation of the former MVB Budget Committee and the former MVB Facilities Planning Committee. The Finance Committee met ten times in 2015.

Enterprise Risk Committee. Composed of David B. Alvarez, Stephen R. Brooks, James J. Cava, Jr., John W. Ebert, Larry F. Mazza, Dr. Kelly R. Nelson, J. Christopher Pallotta, Nitesh S. Patel – Chair, and Jimmy D. Staton. The purpose of the Committee is to complete work related to enterprise risk and to direct the activities of the Management Risk Committee and the Chief Risk Officer. As noted, this Committee was developed to supplement the work of an existing management risk committee. This Committee met eleven times in 2015.

Governance Committee. Composed of Stephen R. Brooks, John W. Ebert, Gayle C. Manchin, Dr. Kelly R. Nelson-Chair, and Nitesh S. Patel. CEO Mazza is an ex-officio member of this Committee. The purpose of the Committee is to help assure that MVB fulfills the responsibilities for effective board governance of MVB and its subsidiaries by: (1) helping MVB to create and maintain an appropriate board and committee structure; (2) assessing the skills, experience, and backgrounds necessary to effectively staff MVB boards and committees; (3) overseeing the development and updating of governance and ethics policies for MVB; (4) leading MVB in periodic assessments of the operation of MVB boards and committees and the contributions of the members; and (5) monitoring of the implementation of MVB governance policies and practices. The Committee reports the results from these meetings to the Board of Directors. The Committee met four times in 2015.

The Board of Directors has not established a formal nominating committee as the Governance Committee serves in this capacity. The Board of Directors of MVB does not maintain a separate nominating committee, nor does it have a nominating committee charter, because the Board of Directors is relatively small and vacancies are rare.

The Board of Directors believes that candidates for director should have certain minimum qualifications, including:

- Directors should be of the highest ethical character.
- Directors should have excellent personal and professional reputations in MVB's market area.
- Directors should be accomplished in their professions or careers.
 - Directors should be able to read and understand financial statements and either have knowledge of, or the ability and willingness to learn, financial institution law.
- Directors should have relevant experience and expertise to evaluate financial data and provide direction and advice to the chief executive officer and the ability to exercise sound business judgment.
- Directors must be willing and able to expend the time to attend meetings of the Board of Directors of MVB and to serve on Board committees.
- The Board of Directors will consider whether a nominee is independent, as legally defined. In addition, directors should avoid the appearance of any conflict and should be independent of any particular constituency and be able to serve all shareholders of MVB.
- Directors must be acceptable to MVB's and the Bank's regulatory agencies, including the Federal Reserve Board, the Federal Deposit Insurance Corporation and the West Virginia Division of Financial Institutions and must not be under any legal disability which prevents them from serving on the Board of Directors or participating in the affairs of a financial institution.
- Directors must own or acquire sufficient capital stock to satisfy the requirements of West Virginia law, the Bylaws of MVB and share ownership guidelines as established by MVB.
- Directors must be at least 21 years of age.

The Board of Directors of MVB reserves the right to modify these minimum qualifications from time to time, except where the qualifications are required by the laws relating to financial institutions.

The Board of Directors does not maintain a formal diversity policy with respect to the identification or selection of directors for nomination to the Board of Directors. Diversity is just one of many factors the Governance Committee considers in the identification and selection of director nominees. We define diversity broadly to include differences in race, gender, ethnicity, age, viewpoint, professional experience, educational background, skills and other personal attributes that can foster board heterogeneity in order to encourage and maintain board effectiveness. While diversity and variety of experiences and viewpoints represented on the board should always be considered, a director nominee should not be chosen nor excluded solely or largely because of race, color, gender, national origin or sexual orientation or identity. In selecting a director nominee, the Governance Committee focuses on skills, expertise or background that would complement the existing board, recognizing that MVB's businesses and operations are regional in nature. Our directors are or have been residents of our primary markets – North Central West Virginia, Eastern West Virginia, or Northern Virginia. Our directors come from diverse backgrounds including the financial, industrial, professional and retail areas and information technology.

The process of the Governance Committee for identifying and evaluating nominees is as follows: In the case of incumbent directors whose terms are set to expire, the Governance Committee considers the directors' overall service to MVB or MVB Bank during their term, including such factors as the number of meetings attended, the level of participation, quality of performance and any transactions between such directors and MVB and MVB Bank. The Committee also reviews the payment history of loans, if any, made to such directors by MVB Bank to ensure that the directors are not chronically delinquent and in default. The Committee considers whether any transactions between the directors and MVB Bank have been criticized by any banking regulatory agency or MVB Bank's external auditors and whether corrective action, if required,

has been taken and was sufficient. The Committee also confirms that such directors remain eligible to serve on the Board of Directors of a financial institution under federal and state law. For new director candidates, the Committee uses its network of contacts in MVB's market area to compile a list of potential candidates. The Committee then meets to discuss each candidate and whether he or she meets the criteria set forth above. The Committee then discusses each candidate's qualifications and chooses a candidate by majority vote.

The Board of Directors will consider director candidates recommended by stockholders for nomination by the Governance Committee, provided that the recommendations are received at least 120 days before the next annual meeting of shareholders. In addition, the procedures set forth below must be followed by stockholders for submitting nominations for director to the shareholders. The Board of Directors does not intend to alter the manner in which it evaluates candidates, regardless of whether or not the candidate was recommended or nominated by a shareholder.

MVB's Bylaws provide that nominations for election to the Board of Directors must be made by a shareholder in writing delivered or mailed to the president not less than 14 days nor more than 50 days prior to the meeting called for the election of directors; provided, however, that if less than 21 days' notice of the meeting is given to shareholders, the nominations must be mailed or delivered to the president not later than the close of business on the seventh day following the day on which the notice of meeting was mailed. The notice of nomination must contain the following information, to the extent known:

- Name and address of proposed nominee(s);
- Principal occupation of nominee(s);
- Total shares to be voted for each nominee;
- Name and address of notifying shareholder; and
- Number of shares owned by notifying shareholder.

Nominations not made in accordance with these requirements may be disregarded by the chairman of the meeting and in such case the votes cast for each such nominee will likewise be disregarded. All nominees for election at the meeting are incumbent directors or directors of MVB subsidiaries and are included as nominees in this Proxy Statement. No shareholder recommendations or nominations have been made for election at the 2016 Annual Meeting. A copy of the Charter of the Governance Committee is attached as Exhibit B to this Proxy Statement.

Human Resources & Compensation Committee. Composed of Stephen R. Brooks, James J. Cava, Jr., Dr. Kelly R. Nelson and Jimmy D. Staton - Chair. The purpose of this Committee is to address issues related to staffing, compensation and related policy matters. This Committee also is responsible for administration of the Amended 2013 MVB Financial Corp. 2015 Stock Incentive Plan. CEO Mazza is an ex-officio member of this Committee and makes suggestions, which the Committee evaluates and, if considered appropriate, acts on. Mr. Mazza makes no recommendations nor participates in any portion of the meetings relating to his own compensation. The Committee reports the results from these meetings to the Board of Directors. The Committee met 14 times in 2015.

Compensation Committee Interlocks and Insider Participation

None of the members of our Human Resources and Compensation Committee are, or have been, an officer or employee of MVB. During 2015, no member of our Human Resources and Compensation Committee had any relationship with MVB requiring disclosure under Item 404 of Regulation S-K. None of our executive officers serves on a board of director or compensation committee of a company that has an executive officer serving on our Board or Human Resources and Compensation Committee.

Introduction

The following discussion and analysis explains MVB's compensation program as it applies to the executive officers named in the Summary Compensation Table on page 16, who we refer collectively to as the "named executive officers." Each of the named executive officers is compensated by one or more subsidiaries of MVB for services rendered as officers of the subsidiary of MVB, as well as for MVB itself. This discussion and analysis should be read in conjunction with the Summary Compensation Table, its accompanying footnotes and the additional tables and narrative disclosure that follows the Summary Compensation Table.

Overall, the Board of Directors believes that MVB's compensation program is effective in aligning the compensation of our executive officers with the long-term interests of our stockholders. Incentive compensation programs consist of a blend

of annual performance and time based compensation, are structured to preclude excessive and unnecessary risk-taking, and utilize performance metrics established in advance based on an annual budget and business planning process. MVB's incentive plans also contain caps or limits on the amounts that can be awarded. Clawback policies are also imposed on all compensation awards, so that awards or payments are adjusted or recovered if the performance measures supporting such an award are subsequently restated or otherwise adjusted to levels which do not support the award or payment.

Compensation Objectives

MVB's Human Resources & Compensation Committee has a philosophy on executive compensation. This philosophy expresses MVB's desire to become the employer of choice and to be viewed as a model of best practices for executive compensation. Our compensation programs are designed to provide competitive compensation and benefits in order to promote the interests of MVB and its stockholders while enabling us to attract and retain top-quality executive talent. The primary objectives of the compensation policies for executive officers are to:

- Attract and retain executive officers by offering a base salary that is competitive and by rewarding outstanding individual performance;
- Promote and reward the achievement of short-term and long-term objectives set by the Board and management without encouraging unnecessary and excessive risk taking by our executive officers; and
- Align the interests of executive officers with those of our stockholders by making incentive compensation an important aspect of our executive's compensation.

The philosophy incorporates the following four fundamental principles in establishing executive compensation: (i) MVB's performance drives the plans, using both short and long-term goals, (ii) the compensation elements of MVB plans comply with appropriate regulations and sound compensation practices; all behavior must be consistent with MVB's vision, mission and values; (iii) MVB's executive officers' salaries should be competitive with those of similar and larger market compensation structures and (iv) the profitability and success of the organization are the key drivers in determining compensation opportunity. The Committee also considers the result of the most recent shareholder advisory vote on executive compensation. At the 2015 Annual Meeting, 89% of shareholders of MVB voting at the meeting approved the compensation of the named executive officers.

Administration of the Executive Compensation Program

Human Resources & Compensation Committee Process. The Human Resources and Compensation Committee meets as often as necessary to perform its duties and responsibilities. The Committee met 14 times during calendar year 2015. Mr. Staton, Chairman, works with our Chief Executive Officer and Vice President of Human Resources to

establish the meeting agenda. The Committee typically meets with the Chief Executive Officer and, when appropriate, with legal counsel. The Committee also conducts executive sessions without management when necessary.

The Committee annually reviews the Human Resources & Compensation Committee Charter and all incentive plans used throughout MVB in all business lines. In this review of the incentive plans, the Committee makes a determination of whether the plans, individually or collectively, encourage excessive risk taking, that each of the plans have reasonable limits and caps, and that the overall structure of the incentive plans is aligned with the interests of the stockholders. A copy of the Charter of the Human Resources & Compensation Committee was attached as Exhibit A to the 2015 Proxy Statement.

The Committee receives and reviews materials in advance of each meeting. These materials include information that management believes will be helpful to the Committee, as well as materials that the Committee has specifically requested. Depending on the agenda for the particular meeting, these materials may include:

- Financial reports on year-to-date performance versus budget and compared to prior year performance;
- Calculations and reports on levels of achievement of individual and corporate performance objectives;
- Reports on MVB's strategic objectives and budget for future periods;
- Reports on MVB's year over year performance and current year performance versus a peer group of companies;

- Estimated grant date values of stock options (using the Black-Scholes valuation methodology);
- Tally sheets setting forth the total compensation of the named executive officers, including base salary, cash incentives, equity awards and other compensation and any amounts payable to the executives upon voluntary or involuntary termination, early or normal retirement or following a change in control of MVB;
- Information regarding compensation programs and compensation levels at study groups of companies identified by Management or through statistical comparisons compiled by management using third party source information such as SNL Financial Executive Compensation Review; and
- Publically available independent survey reports related to employee and board-compensation.

Profitability and Risk. The Human Resources & Compensation Committee is responsible for establishing incentive plans for executive officers that achieve an appropriate balance between MVB's results and risk. The Committee recognizes that business in our industry inherently requires that MVB take on certain risks – in its lending activities, depository activities, investing activities as well as other facets of the organization. Upon due consideration of these items, the Committee believes that MVB incentive plans are designed in such a way as to encourage executives to take only prudent levels of risk in the pursuit of strong performance on behalf of shareholders. Furthermore, the Committee believes that MVB's compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on its business or operations.

Use of Peer Groups. MVB adopts the position that annual compensation for all executive officers should be targeted to be above the 50th percentile of companies in our peer group(s) and should provide bonuses based on performance metrics established at the discretion of the Human Resources and Compensation Committee.

In March 2015, the Committee engaged a compensation consultant, Pearl Meyer & Partners, LLC ("PM&P"), to review the competitive positioning of the executives' compensation compared to external markets; provide a market-based framework or peer group for review; and propose potential changes to the current compensation structure for the 2016 fiscal year. The Committee has determined that PM&P is independent and that there are no conflicts of interest with respect to their work. PM&P did not perform any other services for MVB or any affiliate. Total compensation paid to PM&P for the services described herein was less than \$65,000. The consulting firm examined base compensation, annual and long term incentive opportunities and future equity programs.

PM&P completed two analyses targeting banks with assets of at least \$1.1 billion, "Smaller Asset Size" and at least \$2.7 billion, "Larger Asset Size".

The "Smaller Asset Size" peer group was comprised of the following 17 companies:

, I

| | | |
|---|----------------------------------|------------------------------|
| C&F Financial Corporation | Premier Financial Bancorp., Inc. | Penns Woods Bancorp, Inc. |
| Middleburg Financial Corporation | Republic First Bancorp, Inc. | Codorus Valley Bancorp, Inc. |
| Orrstown Financial Services | National Bankshares, Inc. | Farmers National Banc Corp. |
| LCNB Corp. | Shore Bancshares, Inc. | ACNB Corporation |
| AmeriServ Financial, Inc. | Monarch Financial Holdings, Inc. | Access National Corporation |
| Peoples Bancorp of North Carolina, Inc. | Southern First Bancshares, Inc. | |

The “Larger Asset Size” peer group consisted of these organizations:

| | | |
|--------------------------------|-----------------------------------|-------------------------------|
| Cardinal Financial Corporation | MainSource Financial Group, Inc. | Fidelity Southern Corporation |
| Metro Bancorp, Inc. | TriState Capital Holdings, Inc. | Peoples Bancorp Corporation |
| Stock Yards Bancorp, Inc. | Independent Bank Corporation (MI) | Bryn Mawr Bank Corp. |
| Univest Corporation of PA | | |

PM&P provided conclusions regarding the overall competitiveness and reasonableness of total compensation paid to executive officers. Actual total cash compensation for the Executive team was near the 75th percentile of the Smaller Asset Size reference group and the 50th percentile of the Larger Asset Size group.

PM&P recommended that MVB maintain all executive base salaries; keep the annual incentive as a “stretch” plan,

adding qualitative measures to reward key milestones; and once MVB is public, provide full-value equity awards such as time-based restricted stock or performance vesting awards.

MVB's talent acquisition strategy focuses on attracting and retaining executives with the experience and skills necessary to grow the organization. MVB executives have generally come from larger metropolitan areas and/or institutions that are significantly larger than the Company. In executing talent strategy, it necessary to provide a base salary that exceeds the median of banks that are comparable to the Company's current asset size. Other elements of compensation are adjusted to recognize that base salaries are competitive. For example, our executives only receive an incentive for performance that exceeds our budgeted net income. PM&P concluded that the executive compensation of MVB is reasonable under the circumstances.

Management's Role in the Compensation-Setting Process. Management plays a significant role in the compensation setting process. The most significant aspects of management's role are:

- Evaluating employee performance;
- Establishing business performance targets and objectives for individual executives other than the named executive officers; and
- Recommending salary levels and option awards.

The Chief Executive Officer also participates in Human Resources & Compensation Committee meetings at the Committee's request to provide:

- Background information regarding MVB's strategic objectives;
 - Performance evaluations of senior management (other than the Chief Executive officer); and
- Compensation recommendations on senior executive officers (other than himself).

Annual Evaluation. The Human Resources & Compensation Committee meets each year to evaluate the performance of the named executive officers, to set their base salaries for the next calendar year, and to consider and approve any grants to them of equity incentive compensation.

The Human Resources & Compensation Committee's process begins with establishing individual and corporate performance objectives by the second quarter of each calendar year. The Committee engages in an active dialogue with the Chief Executive Officer concerning strategic objectives and performance targets. The Committee also reviews the appropriateness of the financial measures used in incentive plans and the degree of difficulty in achieving specific performance targets. Corporate performance objectives typically are established on the basis of a targeted return on assets and return on equity, as well as growth in earnings per share and individual goals for particular business units within MVB.

The Human Resources and Compensation Committee also considered the most recent advisory vote on executive compensation, which overwhelmingly approved the compensation of our named executive officers, and whether such compensation continues to achieve the objective of appropriately rewarding our named executive officers. In light of the high level of approval that we received in 2015, we concluded that no significant changes to our compensation policies and practices were warranted

Components of Executive Compensation

The principal components of our executive compensation program are:

- Base salary;
- Annual cash incentive awards; and
- Long-term incentives.

In addition to these principal components, our compensation program also includes employment contracts, change in control agreements, a bank owned life insurance program and other perquisites and benefits, each of which are discussed in this Compensation Discussion & Analysis with respect to the named executive officers.

Annual Compensation

MVB's executive officers receive two forms of annual compensation: base salary and annual cash incentive awards. The levels of base salary and annual incentive awards for executive officers are established annually under a program intended to maintain parity with the competitive market for executives in comparable positions.

The annual compensation program is intended to target MVB performance, both in terms of the attainment of short-term and long-term goals, and to consider principally return on equity, growth in earnings per share, and return on assets.

Base Salary. Base salary is a critical element of executive compensation because it provides executives with a base level of monthly income. In determining base salaries, our Human Resources & Compensation Committee considers the executive's qualifications and experience, scope of responsibilities and future potential, the goals and objectives established for the executive, the executive's past performance, competitive salary practices at companies in the peer groups, internal pay equity and the tax deductibility of base salary.

See the Summary Compensation Table on page 16 for more information about the 2015 base salaries of MVB's named executive officers.

Annual Cash Incentive Awards. Annual incentive awards, in the form of annual cash bonuses, are made eligible for our named executive officers under the Annual Executive Performance Incentive Plan, which is attached as Exhibit C, to this proxy statement. The Human Resources & Compensation Committee approves awards, terms and conditions of each such award as well as the performance goals to be achieved in each calendar year by the participants. The Committee believes that annual cash incentive awards for our executives, which are the variable and at-risk portion of annual compensation, should be generally targeted at a maximum of 100% of base salary for the Chief Executive Officer and a somewhat lesser percentage for our other executive officers. (See "Approval of Annual Executive Performance Incentive Plan" on page 25 of this Proxy Statement for additional information about the Incentive Plan)

Eligibility for Annual Incentive Awards. In general, the following thresholds must be satisfied for an executive to be eligible to receive an annual incentive award: (i) the net income goal must be met and/or exceeded; (ii) the executive must receive a "meets or exceeds expectations" performance rating; (iii) the executive must complete a minimum of 40 hours of industry or job-specific education.

Performance Rating. The Chief Executive Officer annually rates the performance of each of our other named executive officers and assigns a performance rating to the executives based on the executive's performance during the fiscal year. The Chair of the Human Resources & Compensation Committee evaluates the performance of our Chief Executive Officer and assesses his performance for the year.

Net Income Goal. MVB's overall corporate goal is the net income goal for a given fiscal year. The Committee sets target performance measures based in part upon management's confidential business plan and budget. The Human Resources & Compensation Committee sets the net income goal at a target level deemed appropriate based on the recommendation from the Chief Executive Officer, industry expectation, market opportunities, budget and other factors the Committee believes are relevant. For 2015, the Company met and exceeded the net income goal and thus the formula yielded an incentive award for each named executive, payable in 2016. No incentive awards were paid in fiscal year 2015. Larry Mazza, the Chief Executive Officer, waived participation in the Annual Cash Incentive Award Plan for 2015, so that additional funds would be available for other executive officers and employees of MVB.

Payment of Annual Incentive Awards. Annual incentive awards for each named executive officer are calculated by multiplying the weight assigned to a performance target by the target incentive award for the executive. The resulting product is then multiplied by the actual results achieved for that performance target. Management does this for each performance target, with the sum of all performance targets for a named executive officer generally being the annual incentive award for the executive and recommended to the Human Resources and Compensation Committee.

Long-Term Incentive Compensation

MVB's Human Resources & Compensation Committee believes that long-term incentive compensation is an important component of our compensation program because it has the effect of retaining and motivating executives, aligning executives' financial interests with the interests of stockholders, and rewarding the achievement of MVB's long-term strategic goals.

The Board of Directors believes that the 2015 Stock Incentive Plan (previously approved as the Amended 2013 Stock Incentive Plan) benefits MVB by (i) assisting in recruiting and retaining the services of individuals with ability and initiative, (ii) providing greater incentive for directors and employees, and (iii) associating the interests of directors and employees with those of MVB and its shareholders through opportunities for increased stock ownership.

Stock options provide MVB's executive officers with the opportunity to purchase and maintain an equity interest in the Company and to share the appreciation of the value of the stock. The Committee receives recommendations from the Chief Executive Officer for executives and provides overall expense calculations for such awards.

The Human Resources & Compensation Committee, consisting of outside directors, administers the 2015 Stock Incentive Plan. The Committee may delegate its authority to administer the 2015 Stock Incentive Plan to an officer of MVB. The Committee may not delegate its authority with respect to individuals who are subject to Section 16 of the Securities Exchange Act of 1934, however. As used in this summary, the term "Administrator" means the Human Resources & Compensation Committee and any delegate, as appropriate.

Employees and directors of MVB and its affiliates are eligible to participate in the 2015 Stock Incentive Plan. The Administrator may, from time to time, grant stock options to executive new hires, promotions, annual grants and director grants to eligible Participants. Equity grants of 2,000 shares or greater must be reviewed and approved by both the CEO and the Administrator. In 2015, with shareholder approval, restricted stock and restricted stock units were added to the 2015 Stock Incentive Plan.

Employees and directors of MVB and its affiliates are eligible to participate in the 2015 Stock Incentive Plan. The Administrator may, from time to time, grant stock options to executive new hires, promotions, annual grants and director grants to eligible Participants. Equity grants of 2,000 – 9,999 shares must be reviewed and approved by both the CEO and the Administrator; participants receiving 10,000 shares or greater must have approval of the Board of Directors.

Options granted under the 2015 Stock Incentive Plan may be incentive stock options or nonqualified stock options. A stock option entitles the participant to purchase shares of Common Stock from MVB at the option price. The option price will be fixed by the Administrator at the time the option is granted, but in the case of an incentive stock option, the price cannot be less than the shares' fair market value on the date of grant. The option price may be paid in cash, or, with the Administrator's consent, with shares of Common Stock or a combination of cash and Common Stock.

Participants may also be awarded shares of Common Stock pursuant to a stock award. The Administrator, in its discretion, may prescribe that a participant's right in a stock award shall be nontransferable or forfeitable or both unless certain conditions are satisfied. These conditions may include, for example, a requirement that the participant continue employment with MVB for a specified period or that MVB or the participant achieves stated objectives.

The 2015 Stock Incentive Plan provides that outstanding options will become exercisable and outstanding stock awards will be vested upon a change in control.

All awards made under the 2015 Stock Incentive Plan will be evidenced by written agreements between MVB and the participant. The Administrator will establish guidelines supplementing the provisions of the Incentive Plan to aid in the selection of Participants and to determine the amounts, timing, and other terms of awards.

A maximum of 2,200,000 shares of Common Stock (as amended to reflect the stock split in the form of a stock dividend approved by the shareholders of MVB in 2014), including shares subject to options issued under the predecessors to the 2015 Stock Incentive Plan, may be issued upon the exercise of options and stock awards. These limitations will be adjusted, as the Administrator determines is appropriate, in the event of a change in the number of outstanding shares of Common Stock by reason of a stock dividend, stock split, combination, reclassification, recapitalization or other similar events. The terms of outstanding awards also may be adjusted by the Administrator to reflect such changes.

No option or stock award may be granted under the 2015 Stock Incentive Plan after May 20, 2023. The Board of Directors may, without further action by shareholders, terminate or suspend the 2015 Stock Incentive Plan in whole or in part. The Board of Directors also may amend the 2015 Stock Incentive Plan except that no amendment that increases the number of shares of Common Stock that may be issued under the 2015 Stock Incentive Plan or changes the class of individuals who may be selected to participate in the 2015 Stock Incentive Plan will become effective until it is approved by shareholders.

Perquisites and Other Benefits

Executive officers participate in other employee benefit plans generally available to all employees on the same terms as similarly situated employees. These plans include medical, dental, group life insurance and group disability programs, as well as health savings accounts for reimbursement of medical expenses. The Human Resources & Compensation Committee has directed that MVB disclose all perquisites provided to the named executive officers in the Summary Compensation Table on page 16 even if the perquisites fall below the disclosure thresholds under the SEC rules.

Bank-Owned Life Insurance Program

In 1999, MVB implemented a bank-owned life insurance program which was primarily designed to offset the cost of certain employee benefit plans. The policies purchased are primarily general and hybrid. It is MVB's intention to hold the insurance until the ultimate death of each insured. MVB addressed insurable interest requirements by offering the program only to officers, required their written consent to participate in the program, and irrevocably assigned a set death benefit for each insured to be paid to the insured's beneficiary upon the death of the insured directly from MVB's general accounts.

Specifically, the program insures approximately 39 current or former officers, at the level of vice president or higher. Each officer has consented to participate in the program. Each officer has also been irrevocably assigned a set death benefit in the policy proceeds on the employee's life which is payable to the insured's designated beneficiary upon the death of the insured. On average, the death benefit payable to MVB as a multiple of salary is approximately 5.5 times annual salary. All of the named executive officers, have such policies for the primary benefit of MVB against their lives, and only if such policies remain in force by MVB until their death would the above-noted set supplemental benefit be paid to their beneficiaries.

Employment Contracts

MVB and its subsidiaries provide certain executive officers, including our named executive officers, with written employment contracts in order to secure the services of key talent within the highly competitive financial services industry. These contracts are generally the same and are reviewed and updated annually if necessary. The non-competition provisions in the agreements are intended to protect MVB from competitive disadvantage if one of MVB's named executive officers leaves MVB to work for a competitor.

The contracts provide for discharge for cause, and terminate in the event of the death of the employee. If terminated by reason of the death of the employee, employee shall be paid when due and in accordance with MVB's normal payroll practices and relevant policies. If terminated without cause, the employee is entitled to a severance payment

equal to a set number of months of the employee's base salary.

Although the employment contracts for each executive officer contain termination provisions which would permit salary continuation under certain circumstances in the event the contracts are terminated by MVB, the Change in Control Agreements, described in a succeeding section, contain provisions that, if the employee so elects, supersede and replace the termination benefits under an employee's employment contract in the event of a termination or severance of such an executive officer's employment subsequent to a change in control. Thus, the employee can elect a termination payment only under one form of benefit, either under the employment contract or the Change in Control Agreement, and if the employee elects a benefit under the Change in Control Agreement, no termination benefit is payable under the employee's employment agreement.

The employment agreements with named executive officers are described in greater detail below under, "Employment Agreements and Change in Control."

Change in Control Agreements

MVB believes that Change in Control Agreements provide security for its employees and minimize distraction of employees in the event of a significant merger and acquisition scenario, allowing them to remain objective and focused on maximizing shareholder value. The Change in Control Agreements are reviewed and updated annually.

The Change in Control Agreements set forth certain terms and conditions upon the occurrence of a "change in control event." Absent a "change in control event", the Change in Control Agreements do not require MVB to retain the employees in its employ or to pay any specified level of compensation or benefits.

Either party may deem a Change in Control (as defined below) when also accompanied by an involuntary termination or employment without cause or either of the following circumstances:

- i. A material diminution of the employee's authority, duties or responsibilities, or
- ii. A change in the geographic location at which the employee must perform the services rendered hereunder which is more than fifty (50) miles from the employee's then current location.

In such event, the employee would be entitled to a severance payment equal to a set number of months of the employee's base salary.

A "Change of Control" means either: (i) the acquisition, directly or indirectly, by any person, group of persons, or other organization of units at MVB, which, when added to any other units the beneficial ownership of which is held by such acquirer(s), shall result in ownership by any person(s), group of persons, or other organization, of greater than 50% of such units; or (ii) the occurrence of any merger, consolidation, exchange or reorganization to which MVB is a party and to which MVB (or any entity controlled thereby) is not a surviving entity, or the sale of all or substantially all of the assets of MVB. Provided, however, no Change of Control shall have occurred if, with respect to (i) or (ii) above, the acquirer, surviving entity or owner of the assets is MVB or one of its subsidiaries or affiliates.

Compensation Committee Report

The Human Resources & Compensation Committee of MVB has reviewed and discussed the foregoing Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussion, the Human Resources and Compensation Committee recommended to the Board, and the Board has approved, that the Compensation Discussion and Analysis be included in this Proxy Statement.

THE HUMAN RESOURCES AND COMPENSATION COMMITTEE

Jimmy D. Staton, Chairman

Stephen R. Brooks

James J. Cava, Jr.

Dr. Kelly R. Nelson

Executive Compensation

The following information is prepared based on positions as of December 31, 2015. In 2015, compensation was paid to the employees by MVB or MVB Bank, unless otherwise noted. The following table summarizes compensation paid to executive officers and other highly paid individuals for the periods indicated.

SUMMARY COMPENSATION TABLE

| Name and Principal Position | Year | Salary (\$)(1) | Bonus (\$)(2) | Option Awards (\$)(3) | Change in actuarial present value of MVB defined pension plan (4) | Other Compensation (\$)(5) | Total (\$) |
|--|------|-------------------|------------------|-----------------------------|--|----------------------------------|---------------|
| Larry F. Mazza | 2015 | \$ 643,000 | None | None | \$ 11,262 | \$ 38,518 | \$ 692,780 |
| | 2014 | \$ 629,189 | None | \$ 313,200 | \$ 84,824 | \$ 32,733 | \$ 1,059,946 |
| | 2013 | \$ 531,453 | \$ 103,312 | \$ 43,000 | \$ 18,137 | \$ 26,957 | \$ 722,859 |
| President & CEO, MVB | | | | | | | |
| Financial Corp. and CEO, MVB Bank, Inc. | | | | | | | |
| Bret S. Price | 2015 | \$ 247,250 | \$ 10,000 | None | None | 3,199 | 260,449 |
| | 2014 | \$ 262,534 | \$ 15,000 | None | None | \$ 3,275 | \$ 280,809 |
| SVP & CFO, MVB Financial Corp. | 2013 | \$ 24,124 | None | \$ 23,600 | None | None | \$ 47,724 |
| and MVB Bank, Inc. | | | | | | | |
| Donald T. Robinson | 2015 | \$ 362,250 | \$ 20,000 | None | \$ 2,938 | \$ 9,617 | \$ 394,805 |
| | 2014 | \$ 339,453 | None | None | \$ 28,144 | \$ 7,500 | \$ 375,097 |
| | 2013 | \$ 244,592 | \$ 30,062 | \$ 130,900 | \$ 8,360 | \$ 5,712 | \$ 419,626 |
| EVP, Chief Operating Officer, | | | | | | | |
| MVB Financial and President, | | | | | | | |
| MVB Bank, Inc. | | | | | | | |
| H. Edward Dean, III | 2015 | \$ 1,468,582 | None | \$ 4,920 | \$ 5,728 | \$ 19,135 | \$ 1,498,365 |
| | 2014 | \$ 1,773,934 | None | \$ 7,830 | \$ 15,946 | \$ 17,435 | \$ 1,815,145 |

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|-------------------------------|------|--------------|------|-----------|-----------|-----------|--------------|
| President & CEO, MVB Mortgage | 2013 | \$ 1,670,066 | None | \$ 23,600 | \$ 13,353 | \$ 18,329 | \$ 1,725,348 |
|-------------------------------|------|--------------|------|-----------|-----------|-----------|--------------|

*
compensation paid by MVB Mortgage

| | | | | | | | |
|------------------|------|------------|------|------|----------|-----------|------------|
| L. Randall Cober | 2015 | \$ 500,250 | None | None | \$ 5,176 | \$ 10,584 | \$ 516,010 |
|------------------|------|------------|------|------|----------|-----------|------------|

| | | | | | | | |
|--------------------|------|------------|------|------|-----------|-----------|------------|
| EVP, MVB Insurance | 2014 | \$ 501,584 | None | None | \$ 62,714 | \$ 11,534 | \$ 575,832 |
|--------------------|------|------------|------|------|-----------|-----------|------------|

| | | | | | | | |
|-------------|------|------------|------|------------|------|------|------------|
| * Insurance | 2013 | \$ 295,145 | None | \$ 159,200 | None | \$ 0 | \$ 454,345 |
|-------------|------|------------|------|------------|------|------|------------|

compensation paid by MVB Insurance

- (1) This figure includes salary, plus commission, plus vehicle allowance.
- (2) "None" indicates that no bonuses were paid in the fiscal year 2015 for 2014 performance.
- (3) This figure is calculated using the Black Scholes value at the time of the grant.
- (4) Mr. Price is not eligible to participate in the pension plan.
- (5) This figure includes director fees of \$26,825, \$9,775 and \$1,200 for Messrs. Mazza and Dean and Cober, respectively for 2015, \$22,525, \$300, \$8,325 and \$1,200 for Messrs. Mazza, Robinson and Dean and Cober, respectively for 2014 and \$17,825 and \$9,100 for Messrs. Mazza and Dean, respectively for 2013.

Based upon recommendations from the MVB Human Resources & Compensation Committee, MVB does, from time to time, provide Stock Awards, Non-Equity Incentive Plan Compensation and Non-Qualified Deferred Compensation Earnings to its officers or directors.

GRANTS OF PLAN-BASED AWARDS TABLE

| Name | Grant Date | Estimated future payouts under non-equity incentive awards | | | Estimated future payouts under equity incentive plan awards | | | All other stock awards: number of shares or units (#) | All other awards: number of securities underlying options (#) | Exercise or base price of option awards (\$/sh) | Grant date fair value of stock and option awards |
|----------------|------------|--|-------------|--------------|---|------------|-------------|---|---|---|--|
| | | Threshold (\$) | Target (\$) | Maximum (\$) | Threshold (#) | Target (#) | Maximum (#) | | | | |
| Larry F. Mazza | 2/1/2014 | - | - | - | - | - | - | - | 120,000 | 16.00 | 313,200 |
| | 1/1/2013 | - | - | - | - | - | - | - | 50,000 | 12.00 | 43,000 |
| Bret S. Price | 11/18/2013 | - | - | - | - | - | - | - | 5,000 | 16.00 | 6,750 |

| | | | | | | | | | | | |
|---------------------|------------|---|---|---|---|---|---|---|--------|-------|---------|
| Donald T. Robinson | 12/31/2013 | - | - | - | - | - | - | - | 50,000 | 16.00 | 78,000 |
| | 1/1/2013 | - | - | - | - | - | - | - | 15,000 | 12.00 | 12,900 |
| I. Edward Dean, III | 3/2/2015 | - | - | - | - | - | - | - | 2,000 | 13.50 | 4,920 |
| | 2/21/2014 | - | - | - | - | - | - | - | 3,000 | 16.00 | 7,830 |
| | 1/1/2013 | - | - | - | - | - | - | - | 10,000 | 12.00 | 8,600 |
| W. Randall Cober | 5/22/2013 | - | - | - | - | - | - | - | 80,000 | 13.50 | 159,200 |

The Board of Directors of MVB believes that the successful implementation of its business strategy will depend upon attracting, retaining and motivating able executives, managers and other key employees. The 2015 MVB Financial Corp. Stock Incentive Plan provides that the Human Resources & Compensation Committee appointed by the Board of Directors of MVB has the flexibility to grant stock options, merit awards, and rights to acquire stock through purchase under a stock purchase program.

During 2013, the Human Resources & Compensation Committee granted 39 awards, totaling 250,000 shares at exercise prices ranging from \$24.00 to \$32.00 per share (which, if exercised, will actually be double the number of awards at fifty percent of the exercise price per share, based upon the stock split approved by MVB's shareholders on February 11, 2014, and effective on March 21, 2014). The expense to be recognized with respect to such awards will be amortized over five years, beginning in 2014. During 2014, the Human Resources & Compensation Committee granted 31 awards, totaling 289,495 shares at exercise prices ranging from \$14.80 to \$16.50 per share. The expense to be recognized with respect to such awards will be amortized over five years, beginning in 2015. During 2015, the Human Resources & Compensation Committee granted 29 awards, totaling 42,500 shares at exercise prices ranging from \$13.00 to \$15.00 per share. The expense to be recognized with respect to such awards will be amortized over five years, beginning in 2016.

The following tables summarize the outstanding equity awards at fiscal year-end, December 31, 2015.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

Option Awards

| Name | Number of Securities Underlying Unexercised Options Exercisable | | Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options | | Option Exercise Price (\$) | Option Expiration Date |
|----------------|---|--------|--|------|----------------------------|------------------------|
| | (#) | (#) | (#) | (#) | | |
| Larry F. Mazza | 66,000 | - | None | None | \$ 9.09 | 01-01-20 |
| | 30,000 | 20,000 | None | None | \$ 12.00 | 12-31-22 |
| | 20,000 | 30,000 | None | None | \$ 12.00 | 01-01-23 |
| | 24,000 | 96,000 | None | None | \$ 16.00 | 02-01-24 |
| Bret S. Price | 2,000 | 3,000 | None | None | \$ 16.00 | 11-18-23 |

| | | | | | | |
|----------|--------|--------|------|----|-------|----------|
| Donald | | | | | | |
| T. | | | | | | |
| Robinson | 12,000 | 8,000 | None | \$ | 11.00 | 01-01-22 |
| | 9,000 | 6,000 | None | \$ | 12.00 | 12-31-22 |
| | 6,000 | 9,000 | None | \$ | 12.00 | 01-01-23 |
| | 20,000 | 30,000 | None | \$ | 16.00 | 12-31-23 |
| H. | | | | | | |
| Edward | | | | | | |
| Dean, | | | | | | |
| III | 4,000 | 6,000 | None | \$ | 12.00 | 01-01-23 |
| | 600 | 2,400 | None | \$ | 16.00 | 02-21-24 |
| | - | 2,000 | None | \$ | 13.50 | 03-02-25 |
| L. | | | | | | |
| Randall | | | | | | |
| Cober | 16,000 | 64,000 | None | \$ | 13.50 | 05-22-23 |

OPTION EXERCISES AND STOCK VESTED – Needs Completed

| Name | Option Awards | | Stock Awards | |
|----------------|---|---------------------------------|--|--------------------------------|
| | Number of Shares Acquired on Exercise (#) | Value Realized on Exercise (\$) | Number of Shares Acquired on Vesting (#) | Value Realized on Vesting (\$) |
| Larry F. Mazza | 42,180 | 464,219 | - | \$ - |

Retirement Plans

MVB provided a defined benefit retirement plan for all qualifying employees; however, the defined benefit plan has been frozen, and no service after May 31, 2014, is taken into consideration for determining a benefit. All qualifying employees actively employed on May 31, 2014, are 100% vested, but no subsequent vesting is contemplated. The plan provides for benefits based on the highest five consecutive years of earnings times 2 ½ times years of service. Normal retirement age is 65. All retiree benefits are calculated in the same manner. The benefits are summarized in the table below:

PENSION BENEFITS TABLE

| Name | Plan Name | Number of Years Credited Service (#) | Present Value of Accumulated Benefit (\$) | Payments During Last Fiscal Year (\$) |
|---------------------|---------------------------------|--------------------------------------|---|---------------------------------------|
| Larry F. Mazza | Allegheny Group Retirement Plan | 9.25 | \$ 358,801 | None |
| Bret S. Price | Allegheny Group Retirement Plan | N/A | N/A | None |
| Donald T. Robinson | Allegheny Group Retirement Plan | 3.167 | \$ 59,958 | None |
| H. Edward Dean, III | Allegheny Group Retirement Plan | 1.417 | \$ 35,027 | None |
| L. Randall Cober | Allegheny Group Retirement Plan | 1.083 | \$ 67,890 | None |

Nonqualified Deferred Compensation

Non-tax qualified deferred compensation plans currently are not available to Executive Management.

Employment Agreements and Change in Control

MVB has employment agreements with Messers. Mazza, Price, Robinson, and Dean. MVB Insurance has an employment agreement with Cober. The general terms of these contracts are described below:

Mazza has a written employment agreement with MVB, effective January 1, 2014 as amended on January 21, 2014, that can be renewed annually. Mazza's current salary is \$625,000 per year, payable in accordance with MVB's general payroll practices and is subject to future adjustment. Mazza continues to be eligible to participate in MVB's fringe benefit programs, including vacation, sick leave, group medical insurance, group life insurance, and expense reimbursement programs. In addition, Mazza continues to be eligible to participate in the MVB annual executive performance incentive plan. Mazza continues to be subject to MVB standard employee handbook policies. Mazza's employment may be terminated for cause, terminated without cause, terminated due to death or permanent disability, or constructively terminated in the event of a change in control, all subject to certain conditions and commitments, including, if termination without cause or constructive termination occurs, a severance payment of two years of the then current annual base salary, provided that a general release of claims is executed. Additionally, in the event Mazza is constructively terminated upon a change in control, he would be entitled to all compensation that would have been payable through the applicable term of employment. Upon any separation from the Company, Mazza would also be entitled to accrued salary, bonuses, vacation pay and reimbursement of appropriate business expenses. Mazza's employment agreement also includes provisions related to treatment of confidential information, the return of MVB's property in the event of a resignation or termination, non-solicitation and non-interference, and non-competition for 12 months in West Virginia and also within 50 miles of a place of business of MVB or any MVB subsidiary. If Mr. Mazza's employment were terminated without cause as of December 31, 2015, he would have been entitled to receive a lump sum of \$1,250,000 from MVB under this agreement and all stock options would immediately vest.

Price has a written employment agreement with MVB, effective January 1, 2016 that can be renewed annually. Price's current salary is \$235,000 per year payable in accordance with MVB's general payroll practices and is subject to future adjustment. Price is eligible to participate in MVB's fringe benefit programs, including vacation, sick leave, group medical insurance, group life insurance, and expense reimbursement programs. In addition, Price is eligible to participate in the MVB annual executive performance incentive plan. Price is subject to MVB standard employee handbook policies. Price's employment may be terminated for cause, terminated without cause, terminated due to death or permanent disability, or constructively terminated in the event of a change in control, all subject to certain conditions and

commitments, including, if termination without cause or constructive termination occurs, a severance payment of one year of the then current annual base salary, provided that a general release of claims is executed. Price's employment agreement also includes provisions related to treatment of confidential information, the return of MVB's property in the event of a resignation or termination, non-solicitation and non-interference, and non-competition. During the term of this agreement and for one year period following the effective date of the termination of this agreement (collectively, "Restricted Period"), Price will not, directly or indirectly, individually or as an employee, joint venture, partner, agent or independent contractor of any other person, provide or render services that are competitive with the services provided by Employee hereunder at any location within 50 miles of Employee's primary office for 12 months in West Virginia and also within 50 miles of a place of business of MVB or any MVB subsidiary. Under this agreement which outlines severance payments based on years of service (employed less than five years = six months of employee's salary; employed five years or more, twelve months of employee's salary), if Mr. Price's employment were terminated without cause as of December 31, 2016, he will be entitled to receive a lump sum of \$117,500 from MVB under this agreement and all stock options would immediately vest.

Robinson has a written employment agreement with MVB, effective January 1, 2016. Robinson's current salary is \$350,000 per year payable in accordance with MVB's general payroll practices and is subject to future adjustment. Robinson is eligible to participate in MVB's fringe benefit programs, including vacation, sick leave, group medical insurance, group life insurance, and expense reimbursement programs. In addition, Robinson is eligible to participate in the MVB annual executive performance incentive plan. Robinson is subject to MVB standard employee handbook policies. Robinson's employment may be terminated for cause, terminated without cause, terminated due to death or permanent disability, or constructively terminated in the event of a change in control, all subject to certain conditions and commitments, including, if termination without cause or constructive termination occurs, a severance payment of one year of the then current annual base salary, provided that a general release of claims is executed. Upon separation from the Company, Mr. Robinson would also be entitled to accrued, but unpaid, salary and benefits. Robinson's employment agreement also includes provisions related to treatment of confidential information, the return of MVB's property in the event of a resignation or termination, non-solicitation and non-interference, and non-competition. During the term of this agreement and for one year period following the effective date of the termination of this agreement (collectively, "Restricted Period"), Robinson will not, directly or indirectly, individually or as an employee, joint venture, partner, agent or independent contractor of any other person, provide or render services that are competitive with the services provided by Employee hereunder at any location within 50 miles of Employee's primary office. Under this agreement which outlines severance payments based on years of service (employed less than five years = six months of employee's salary; employed five years or more, twelve months of employee's salary), if Mr. Robinson's employment were terminated without cause as of December 31, 2016, he will be entitled to receive a lump sum of \$350,000 from MVB under this agreement and all stock options would immediately vest.

Dean has a written employment agreement with MVB and MVB Bank, effective December 20, 2012, with an initial term of five years, which may be extended by Mr. Dean, at his option, for successive terms of up to three years. Dean's base compensation under the agreement is \$500,000 per year, plus an earn-out for a pre-tax income (excluding certain administrative expenses and other specific adjustments). Subject to certain exceptions, Dean's earn-out potential for the 2015, 2016 and 2017 fiscal years, which would be payable on or before February 15 of the following year, is as follows: (1) if MVB Mortgage earnings beginning from January 1, 2013 reach \$24,000,000 within the 2015 MVB fiscal year, Dean will receive 74% of 75% of all MVB Mortgage income that exceeds \$24,000,000 in that same period and 74% of 25% of MVB Mortgage's pre-tax income in 2016 and 2017 or (2) if MVB Mortgage earnings from January 1, 2013 to December 31, 2015 do not reach \$24,000,000, Dean will receive 74% of 25% of MVB Mortgage's pre-tax income for 2016 and 2017. The agreement also provides for commissions payable to Mr. Dean for eligible loans over the term of the agreement which are originated by Dean. Generally, the commission

is .80% per loan, except for construction loans and home equity lines of credit, for which the commission is .50%, subject to decreases to ensure a minimum return on home equity lines of credit. The agreement also provides for the issuance of options to purchase 5,000 shares, with vesting of 1,000 shares on each of the five anniversary dates after December 20, 2012. The agreement also provides for a monthly vehicle allowance of \$1,500. Dean continues to be eligible to participate in MVB's fringe benefit programs, including vacation, sick leave, group medical insurance, group life insurance, and expense reimbursement programs. Dean continues to be subject to MVB standard employee handbook policies. Dean's employment may be terminated for cause, terminated without cause, terminated due to death or permanent disability, or constructively terminated in the event of a change in control, all subject to certain conditions and commitments. If Dean's employment is terminated without cause, or terminated by Dean for a good reason, as defined under the agreement (including after a change of control) Dean would be entitled to: receive 18 months compensation, based on the average of the previous two years; witness all restrictions on company stock owned by Dean removed and all stock options possessed by Dean immediately vesting; receive payments for health insurance premiums for the maximum time provided for under the federal Consolidated Omnibus

Budget Reconciliation Act of 1985, as amended, plus six months; and, entitled to other employee benefits through the remaining term of the agreement. All commissions which were earned as of the date of termination would be paid in no later than 30 days after the closing of the applicable loan. If employment terminates due to death or disability, Mr. Dean, or his estate, shall receive an amount equal to that amount shown on Mr. Dean's Form W-2 for the previous fiscal year. If the agreement is terminated as a result of legal disability, Dean would be entitled to receive benefits under MVB's long-term disability policy. The agreement also provides that, on termination without cause, or termination by Mr. Dean without good reason, as defined in the agreement, Dean will not compete with, or solicit customers or employees of MVB or PMG for a period of 18 months within the counties in which MVB, MVB Bank, and MVB Mortgage operate. Pursuant to the agreement, on December 31, 2012, MVB entered into an indemnification agreement with Dean, which provides for indemnification and advances in expenses and costs incurred by Dean in connection with claims, suits or proceedings arising as a result of his service with the Company, to the fullest extent permitted by law. If Mr. Dean's employment were terminated without cause as of December 31, 2015, he would be entitled to receive a lump sum of \$2,112,160 from MVB and its subsidiaries under this agreement. In addition, MVB would pay COBRA premiums for the maximum period of continuation of insurance coverage provided under COBRA and pay the full cost for substantially equivalent health and dental insurance benefits for six months after such maximum continuation coverage period expires, as well as for dental insurance coverage, life insurance plan, and 401(k) plan and other benefits (except to the extent that any such benefits are duplicative of the health and dental insurance coverage) for the remaining term of the agreement. Further, all stock options would immediately vest.

Cober has a written employment agreement with MVB Insurance, LLC, effective May 22, 2013, that can be renewed annually. Cober's current salary is \$500,000 per year, payable in accordance with MVB's general payroll practices and is subject to future adjustment. Cober continues to be eligible to participate in MVB's fringe benefit programs, including vacation, sick leave, group medical insurance, group life insurance, and expense reimbursement programs. In addition, Cober continues to be eligible to participate in the MVB annual executive performance incentive plan. Cober continues to be subject to MVB standard employee handbook policies. Cober's employment may be terminated for cause, terminated without cause, terminated due to death or permanent disability, or constructively terminated in the event of a change in control, all subject to certain conditions and commitments, including, if termination without cause or constructive termination occurs, a severance payment for the remaining time of the contract, provided that a general release of claims is executed. Cober's employment agreement also includes provisions related to treatment of confidential information, the return of MVB's property in the event of a resignation or termination, non-solicitation and non-interference, and non-competition for 24 months in West Virginia and also within 50 miles of a place of business of MVB or any MVB subsidiary. If Mr. Cober's employment were terminated without cause as of December 31, 2015, he would be entitled to receive a lump sum of \$1,208,000 from MVB Insurance, LLC under this agreement and all stock options would immediately vest.

The foregoing descriptions apply to agreements entered into by MVB with the Executive Officers named in the Summary Compensation Table above, or "Named Executive Officers." In addition to these employment agreements, MVB and the MVB Bank have entered into a number of employment agreements with other employees.

Director Compensation

In 2015, members of the Boards of MVB and its subsidiaries received a fee of \$200 for each MVB board meeting attended and a fee of \$300 for each subsidiary board meeting attended. They also received a fee of \$175 for each MVB committee meeting attended and a fee of \$200 for each MVB subsidiary committee meeting attended. In March 2015, Pearl Meyer & Partners, LLC, MVB's independent compensation consultant, reviewed director compensation. No changes to director compensation were recommended at that time. In 2014, MVB began providing stock option awards to directors of MVB and subsidiaries. MVB does not provide Non-Equity Incentive Plan Compensation, Nonqualified Deferred Compensation Earnings or any other compensation to directors, unless otherwise noted. The table below provides detailed information about non-executive director fees, including those for MVB subsidiaries, paid in 2015 and

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stock option awards granted to directors in 2015.

| Director Name | 2015 Director Compensation | | |
|--------------------------|----------------------------|------------------|---------------|
| | Cash \$(1)(2) | Options \$(3) | Total (\$) |
| David B. Alvarez | 21,300 | \$ 2,580 | \$ 23,880 |
| Stephen R. Brooks | 39,400 | \$ 2,580 | \$ 41,980 |
| James J. Cava, Jr. | 34,750 | \$ 2,580 | \$ 37,330 |
| Dr. Joseph P. Cincinnati | 13,775 | \$ 2,580 | \$ 16,355 |
| John W. Ebert | 23,725 | \$ 2,580 | \$ 26,305 |
| Gayle C. Manchin | 12,340 | \$ 2,580 | \$ 14,920 |
| Dr. Kelly R. Nelson | 28,250 | \$ 2,580 | \$ 30,830 |
| J. Christopher Pallotta | 28,500 | \$ 2,580 | \$ 31,080 |
| Nitesh S. Patel | 27,247 | \$ 2,580 | \$ 29,827 |
| Jimmy D. Staton | 30,775 | \$ 2,580 | \$ 33,355 |
| * Roger J. Turner | 14,850 | \$ 2,580 | \$ 17,430 |
| * Samuel J. Warash | 20,650 | \$ 2,580 | \$ 23,230 |

- (1) Includes an annual retainer fee of \$5,000 paid to each director as well as the following board and committee chair retainer fees: Brooks \$12,000 MVB Financial Corp. Board; Cava \$7,500 Audit Committee; Ebert \$2,500 Finance Committee; Dr. Nelson \$3,000 Governance Committee; Pallotta \$2,000 Asset and Liability Committee (ALCO Committee) (of MVB Bank, Inc.); Patel \$3,000 Enterprise Risk Committee; Staton \$3,000 Human Resources & Compensation Committee; Warash \$2,000 Loan Review Committee (of MVB Bank, Inc.);
- (2) Includes educational expenses of \$3,422 for Patel and \$3,250 for Dr. Nelson, who attended BankDirector conferences and \$915 for Manchin, who attended the 2015 CBWV Director's College.
- (3) Each director was granted the option to purchase 1,000 shares as of January 21, 2015, exercisable January 21, 2016. A price of \$2.58/share was calculated using the Black-Scholes valuation methodology.

* Retiring Directors with expiring terms

Certain Transactions with Directors, Officers and Their Associates

MVB and MVB Bank have, and expect to continue to have, banking and other transactions in the ordinary course of business with its directors and officers and their affiliates, including members of their families or corporations, partnerships or other organizations in which officers or directors have a controlling interest, on substantially the same terms (including documentation, price, interest rates and collateral, repayment and amortization schedules and default provisions) as those prevailing at the time for comparable transactions with unrelated parties. All of these transactions were made on substantially the same terms (including interest rates, collateral and repayment terms on loans) as comparable transactions with non-affiliated persons. MVB's management believes that these transactions did not involve more than the normal business risk of collection or include any unfavorable features.

Principal Holders of Voting Securities

As of March 28, 2016, there are no shareholders who currently beneficially own or have the right to acquire shares that would result in ownership of more than 5% of MVB's common stock.

Ownership of Securities by Directors, Nominees and Executive Officers

As of March 28, 2016, ownership by directors, nominees and executive officers in MVB was:

| | Shares of Stock Beneficially Owned (See notes 1,2&3) | Percent of Ownership | |
|--------------------|--|-------------------------|---|
| David B. Alvarez | 264,060 | 3.02 | % |
| Stephen R. Brooks | 43,531 | 0.50 | % |
| James J. Cava, Jr. | 90,892 | | |