

United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 21, 2015

UNION BANKSHARES CORPORATION
(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

0-20293
(Commission
File Number)

54-1598552
(I.R.S. Employer
Identification No.)

1051 East Cary Street
Suite 1200
Richmond, Virginia 23219
(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: (804) 633-5031

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Shareholder Approval of Union Bankshares Corporation Stock and Incentive Plan

As Union Bankshares Corporation (the “Company”) has previously disclosed, the Union Bankshares Corporation Stock and Incentive Plan (the “Amended and Restated SIP”) was approved by the Company’s shareholders at the 2015 Annual Meeting of Shareholders (the “Annual Meeting”) held on April 21, 2015. The Amended and Restated SIP was adopted by the Board of Directors, subject to shareholder approval, on January 29, 2015, based on the recommendation of the Compensation Committee of the Board of Directors (the “Committee”). The Amended and Restated SIP, which became effective upon shareholder approval at the Annual Meeting, amends and restates the Union First Market Bankshares Corporation 2011 Stock Incentive Plan (the “2011 SIP”), which was originally approved by shareholders on April 26, 2011. Outstanding awards granted under the 2011 SIP remain outstanding in accordance with their terms.

The Amended and Restated SIP amends the 2011 SIP in certain ways, including, but not limited to, the following:

- increases the maximum number of shares of the Company’s common stock issuable under the plan (since the 2011 SIP became effective on April 26, 2011) to 2,500,000, an increase of 1,500,000 shares;
- adds non-employee members of the Board of Directors of the Company and certain subsidiaries, including members of regional advisory boards, as potential participants;
- requires a minimum performance period of one year (subject to accelerated vesting under certain circumstances) for equity awards that are subject to performance criteria;
- modifies the change in control provision to encourage the use of “double-trigger” acceleration in certain situations; and
- adds language expressly subjecting all awards under the Amended and Restated SIP to the terms of any recoupment, clawback, or similar policy in effect at the Company from time to time.

The purpose of the Amended and Restated SIP is to promote the success of the Company by providing greater incentive to key employees and non-employee directors to associate their personal interests with the long-term financial success of the Company, including its subsidiaries, and with growth in shareholder value, consistent with the Company’s risk management practices. The Amended and Restated SIP is designed to provide flexibility to the Company in its ability to motivate, attract, and retain the services of key employees and non-employee directors upon whose judgment, interest, and special effort the successful conduct of the Company’s operations largely depends.

The Amended and Restated SIP authorizes the granting of stock options, restricted stock, restricted stock units, stock awards, performance share units, and performance cash awards, and eliminates the catch-all category of “other stock-based awards” under which certain such awards were made under the 2011 SIP. Awards may be granted to key employees and to non-employee directors, including members of regional advisory boards, of the Company and certain of its subsidiaries, as determined by the Committee, which has been appointed to administer the Amended and Restated SIP.

Subject to the right of the Company’s Board of Directors to terminate the Amended and Restated SIP at any time, awards may be granted under the Amended and Restated SIP until April 20, 2025, after which date no further awards may be granted. Any awards granted under the Amended and Restated SIP that are outstanding on April 20, 2025 will remain outstanding in accordance with their terms.

Subject to adjustment in the event of certain changes in the Company's capital structure, the maximum number of shares of the Company's common stock that may be issued under the Amended and Restated SIP is 2,500,000, which includes awards issued since the 2011 SIP became effective on April 26, 2011. Shares of common stock related to awards that terminate, expire, or lapse for any reason without the issuance of such shares and shares of common stock related to restricted stock awards that are forfeited will not count against this maximum.

The Amended and Restated SIP increases the annual per-participant limit for equity awards and establishes an annual per-participant limit for the new category of cash awards. The maximum number of shares with respect to which equity awards may be granted in any calendar year to a participant under the Amended and Restated SIP is 150,000 shares in the aggregate, and the maximum dollar amount of cash awards that may be granted in any calendar year to a participant under the Amended and Restated SIP is \$2,500,000 in the aggregate.

The Committee has the authority under the Amended and Restated SIP to select participants and to grant awards on terms the Committee considers appropriate, subject to the provisions of the Amended and Restated SIP. The Committee has the authority, among other things, to interpret the Amended and Restated SIP, to adopt, amend or waive rules or regulations for the plan's administration, and to make all other determinations for administration of the Amended and Restated SIP. The Committee may delegate its authority under the Amended and Restated SIP to the Company's Chief Executive Officer and/or Chief Financial Officer, except in the case of awards to directors and certain executive officers.

The Amended and Restated SIP is intended to permit the Company to grant awards that qualify as "performance-based compensation" under Section 162(m) of the Internal Revenue Code, as well as awards that do not so qualify. The Amended and Restated SIP does not require that awards actually qualify as performance-based compensation under Section 162(m).

The foregoing description of the Amended and Restated SIP is only a summary and is qualified in its entirety by reference to the more detailed description of the Amended and Restated SIP contained in the Company's definitive proxy statement on Schedule 14A filed with the Securities and Exchange Commission (the "SEC") on March 11, 2015 and to the full text of the Amended and Restated SIP filed with the SEC on April 23, 2015 as Exhibit 99.1 to the Company's registration statement on Form S-8, both of which are incorporated herein by reference.

Awards to Certain Executive Officers under Union Bankshares Corporation Stock and Incentive Plan

Following the Annual Meeting, on April 21, 2015, the Board of Directors approved grants of performance share unit awards under the Amended and Restated SIP to the following named executive officers in the following amounts (the "PSUs"):

<u>Executive</u>	<u>Target Number of Performance Share Units</u>
G. William Beale	7,783
Robert M. Gorman	3,233
John C. Neal	2,467
D. Anthony Peay	2,857
Elizabeth M. Bentley	1,854

The PSUs have a grant date of April 24, 2015 and will be payable in shares of Company common stock to the extent they become vested and payable, on the basis of one share per vested and payable PSU. Subject to earlier forfeiture or accelerated vesting under circumstances described in the performance share unit agreement, the PSUs will vest and be paid during the first 60 days of 2018, to the extent the performance conditions are satisfied.

The level of vesting of the PSUs will be based on the Company's achievement of total shareholder return (defined as the increase in stock price plus dividends paid divided by beginning stock price) ("TSR") for the period January 1, 2015 through December 31, 2017 as compared to the TSR for the same period of each of the banks comprising the KBW Regional Banking Index as of December 31, 2017 (the "peer group"), as determined by the Committee. The beginning and ending stock prices for the TSR calculations for each company will be the average closing price for the first 15 trading days and last 15 trading days, respectively, of the performance period.

Company TSR performance at the 25th percentile of the peer group's TSR performance will result in the vesting of 10% of the target number of PSUs. Company TSR performance at the 50th percentile of the peer group's TSR performance will result in the vesting of 100% of the target number of PSUs. Company TSR performance at the 75th percentile of the peer group's TSR performance will result in the vesting of 150% of the target number of PSUs. Company TSR performance at the 100th percentile of the peer group's TSR performance will result in the vesting of 200% of the target number of PSUs. Company TSR performance between the stated percentiles will be calculated using straight line interpolation. Company TSR performance below the 25th percentile of the peer group's TSR performance will result in no vesting of the PSUs. Any PSUs that do not vest will be forfeited.

The PSUs were approved by the Board of Directors on the recommendation of the Committee and are subject to the terms and conditions of the Amended and Restated SIP and of each recipient's performance share unit agreement. The form of performance share unit agreement approved by the Committee to evidence both the PSUs and future awards of performance share units under the Amended and Restated SIP is filed herewith as Exhibit 10.24 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

- 10.12 Union Bankshares Corporation Stock and Incentive Plan (as amended and restated effective April 21, 2015) (incorporated by reference to Exhibit 99.1 to Form S-8 Registration Statement; SEC file no. 333-203580).
- 10.23 Form of Time-Based Restricted Stock Agreement under Union Bankshares Corporation Stock and Incentive Plan.
- 10.24 Form of Performance Share Unit Agreement under Union Bankshares Corporation Stock and Incentive Plan.

SIGNATURES

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

UNION BANKSHARES CORPORATION

Date: April 27, 2015

By: /s/ Robert M. Gorman
Robert M. Gorman
Executive Vice President and
Chief Financial Officer

**UNION BANKSHARES CORPORATION
FORM OF
TIME-BASED RESTRICTED STOCK AGREEMENT**

Granted <<GRANT DATE>>

This Time-Based Restricted Stock Agreement (this “Agreement”) is entered into as of <<GRANT DATE>> pursuant to Article VII of the <<PLAN NAME>> (the “Plan”) and evidences the grant, and the terms, conditions and restrictions pertaining thereto, of Restricted Stock to <<NAME>> (the “Participant”).

WHEREAS, Union Bankshares Corporation (the “Company”) maintains the Plan under which the Committee or the Board may, among other things, award shares of the Company’s common stock (the “Common Stock”) to such key employees of the Company and its Subsidiaries as the Committee or the Board may determine, subject to terms, conditions and restrictions as it may deem appropriate;

WHEREAS, pursuant to the Plan, the Committee or the Board has awarded to the Participant a restricted stock award conditioned upon the execution by the Company and the Participant of this Agreement setting forth all the terms and conditions applicable to such award;

NOW, THEREFORE, in consideration of the benefits which the Company expects to be derived from the services rendered to it and its subsidiaries by the Participant and of the covenants contained herein, the parties hereby agree as follows:

1. Award of Shares. Under the terms and conditions of the Plan, the Committee or the Board has awarded to the Participant a restricted stock award as of <<GRANT DATE>> (“Award Date”), covering <<NUMBER>> shares of Common Stock (the “Award Shares”), subject to the terms, conditions and restrictions set forth in this Agreement.

2. Period of Restriction.

(a) Subject to accelerated vesting or forfeiture as hereinafter provided, the Participant’s interest in the Award Shares shall become transferable and non-forfeitable (“Vested” or “Vesting”) on the following vesting dates, provided he remains in employment with the Company or any of its subsidiaries on the applicable date:

Vesting Date	Percent of Award Shares Vesting (in each case, rounded true to a whole share, with the balance on the final installment)
1 st anniversary of Award Date	<<PERCENT>>
2 nd anniversary of Award Date	<<PERCENT>>
3 rd anniversary of Award Date	<<PERCENT>>
4 th anniversary of Award Date	<<PERCENT>>
5 th anniversary of Award Date	<<PERCENT>>

(each date, a “Vesting Date” and the period from the Award Date through each Vesting Date being a “Period of Restriction” with respect to the applicable Award Shares).

- (b) Notwithstanding any other provision of this Agreement to the contrary:
- (i) If the Participant's employment with the Company and its subsidiaries is terminated during the Period of Restriction due to his death or permanent and total disability (within the meaning of Section 22(e)(3) of the Internal Revenue Code), any remaining unvested Award Shares at the date of such termination of employment shall automatically be Vested.
 - (ii) If the Participant's employment with the Company and its subsidiaries is terminated during the Period of Restriction due to retirement at or after age 65 and provided no Cause (as defined below) exists to terminate his employment ("Normal Retirement"), then, provided either (i) upon such Normal Retirement the Participant will be subject to a non-competition covenant pursuant to an existing agreement with the Company or a subsidiary or (ii) the Participant executes and delivers to the Company, no later than the date of such Normal Retirement, a non-competition agreement in a form acceptable to the Company, any remaining unvested Award Shares at the date of such termination of employment shall automatically be Vested.

For purposes of this Section 2(b), "Cause" has the meaning set forth in any employment agreement, or, if none, in any change in control agreement, then in effect between the Participant and the Company or a subsidiary, if applicable, and, if the Participant has no such agreement or if such agreement does not define the term, "Cause" means (i) the willful and continued failure of the Participant to substantially perform the Participant's duties with the Company or one of its subsidiaries (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Participant by the Company, or (ii) the willful engaging by the Participant in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company or one of its subsidiaries.
 - (iii) If the Participant's employment with the Company and its subsidiaries is terminated during the Period of Restriction due to retirement that does not meet the standard for Normal Retirement, then, provided no Cause exists to terminate his employment, the Committee may, in its sole discretion, waive the automatic forfeiture of any or all unvested Award Shares otherwise provided in Section 6 and provide for such Vesting as it deems appropriate subject to such new restrictions, if any, applicable to the Award Shares as it deems appropriate.
 - (iv) If a Change in Control of the Company occurs during the Period of Restriction and the Participant has remained in employment with the Company or any of its subsidiaries through the date such Change in Control occurs:
 - (A) if the surviving corporation assumes or otherwise equitably converts or substitutes this Agreement and within two (2) years after the date the Change in Control occurs the Participant's employment with the Company and its subsidiaries is involuntarily terminated by the Company without Cause or the Participant resigns for good reason under an applicable employment or change in control agreement, then any remaining unvested Award Shares at the date of such termination of employment shall automatically be Vested; or
 - (B) if the surviving corporation does not assume or otherwise equitably convert or substitute this Agreement, then any remaining unvested Award Shares at the date such Change in Control occurs shall automatically be Vested.

(c) Except as contemplated in Section 2(a) or 2(b), the Award Shares may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated during the Period of Restriction; provided, however, that this Section 2(c) shall not prevent transfers pursuant to a beneficiary designation made under the Plan or transfers by will or by the applicable laws of descent and distribution.

3. Stock Certificates. The stock certificate(s) for the Award Shares shall be registered on the Company's stock transfer books in the name of the Participant in book-entry or electronic form or in certificated form as determined by the Committee. If issued in certificated form, physical possession of the stock certificate(s) shall be retained by the Company until such time as the Period of Restriction lapses.

Any Award Shares issued in book-entry or electronic form shall be subject to the following legend, and any certificate(s) evidencing the Award Shares shall bear the following legend, during the Period of Restriction:

The sale or other transfer of the shares of stock represented by this certificate, whether voluntary, involuntary, or by operation of law, is subject to certain restrictions on transfer set forth in the <<PLAN NAME>>, in the rules and administrative procedures adopted pursuant to such Plan, and in a restricted stock agreement dated <<GRANT DATE>>. A copy of the Plan, such rules and procedures, and such restricted stock agreement may be obtained from the Equity Plan Administrator of Union Bankshares Corporation.

4. Voting Rights. During the Period of Restriction, the Participant may exercise full voting rights with respect to the Award Shares.
5. Dividends and Other Distributions. During the Period of Restriction, the Participant shall be entitled to receive all dividends and other distributions paid with respect to the Award Shares (other than dividends or distributions that are paid in shares of Common Stock). If, during the Period of Restriction, any such dividends or distributions are paid in shares of Common Stock with respect to the Award Shares, such shares shall be registered in the name of the Participant and, if issued in certificated form, deposited with the Company as provided in Section 3, and such shares shall be subject to the same restrictions on Vesting and transferability as the Award Shares with respect to which they were paid.
6. Forfeiture on Termination of Employment. Except as provided in Section 2(b) or in Section 12.4 of the Plan, the balance of any Award Shares which are not considered Vested by or at the Participant's termination of employment with the Company and its subsidiaries shall be automatically forfeited to the Company.

7. Employment. Nothing under the Plan or in this Agreement shall confer upon the Participant any right to continue in the employ of the Company or its subsidiaries or in any way affect the Company's right to terminate Participant's employment without prior notice at any time for any or no reason (subject to the terms of any employment agreement between the Participant and the Company or a subsidiary).
8. Withholding Taxes. The Company shall have the right to retain and withhold the amount of taxes (at the statutorily required rates) required by any government to be withheld or otherwise deducted and paid with respect to the Award Shares. At its discretion, the Committee may require the Participant to reimburse the Company for any such taxes required to be withheld by the Company and to withhold any distribution in whole or in part until the Company is so reimbursed. The Participant or any successor in interest is authorized to deliver shares of Common Stock having a Fair Market Value on the date that the amount of tax to be withheld is to be determined and cancel any such shares so delivered in order to satisfy the Company's withholding obligations. The Participant or any successor in interest is also authorized to elect to have the Company retain and withhold shares of Vesting Common Stock having a Fair Market Value on the date that the amount of tax to be withheld is to be determined and cancel any such shares so withheld in order to satisfy the Company's withholding obligations. In the event the Participant does not deliver or elect to have the Company retain and withhold shares of Common Stock as described in this Section 8, the Company shall have the right to withhold from any other cash amounts due to or to become due from the Company or a subsidiary to the Participant an amount equal to such taxes required to be withheld by the Company to reimburse the Company for any such taxes.
9. Administration. The Committee shall have full authority and discretion (subject only to the express provisions of the Plan) to decide all matters relating to the administration and interpretation of the Plan and this Agreement. All such Committee determinations shall be final, conclusive and binding upon the Company and the Participant.
10. Notices. Any notice to the Company required under or relating to this Agreement shall be in writing and addressed to:

Union Bankshares Corporation
Attention: Equity Plan Administrator
1051 East Cary Street
Suite 1200
Richmond, Virginia 23219

Any notice to the Participant required under or relating to this Agreement shall be in writing and addressed to the Participant at his address as it appears on the records of the Company.
11. Governing Law. This Agreement shall be construed and administered in accordance with and governed by the laws of the Commonwealth of Virginia.
12. Successors. This Agreement shall be binding upon and inure to the benefit of the successors, assigns, heirs and legal representatives of the respective parties.
13. Entire Agreement. This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing signed by the parties or as otherwise provided in the Plan.

- 14. Severability. The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.
- 15. Capitalized Terms. Capitalized terms in this Agreement have the meaning assigned to them in the Plan, unless this Agreement provides, or the context requires, otherwise.

To evidence their agreement to the terms, conditions and restrictions hereof, the Company and the Participant have signed this Agreement, either manually or by means of electronic or digital signatures, which shall have the same force and effect as manual signatures. Participant acknowledges and agrees that accepting this Agreement through the online grant acceptance screen designated by the Company for the Plan has the effect of affixing Participant's electronic signature to this Agreement as of the Award Date.

UNION BANKSHARES CORPORATION

By: _____
 <<OFFICER NAME>>
 <<OFFICER TITLE>>

Date: _____ <<GRANT DATE>>

UNION BANKSHARES CORPORATION
FORM OF
PERFORMANCE SHARE UNIT AGREEMENT

Granted <<GRANT DATE>>

This Performance Share Unit Agreement (this "Agreement") is entered into as of <<GRANT DATE>> pursuant to Article X of the <<PLAN NAME>> (the "Plan") and evidences the grant, and the terms, conditions and restrictions pertaining thereto, of Performance Share Units to <<NAME>> (the "Participant").

WHEREAS, Union Bankshares Corporation (the "Company") maintains the Plan under which the Committee or the Board may, among other things, award Performance Share Units to such key employees of the Company and its Subsidiaries as the Committee or the Board may determine, subject to terms, conditions and restrictions as it may deem appropriate;

WHEREAS, pursuant to the Plan, the Committee or the Board has awarded to the Participant a certain number of Performance Share Units, ultimately payable in shares of the Company's common stock ("Common Stock"), which the Participant will have an opportunity to earn over a Performance Period (as defined below) if certain performance goals and additional period of service requirements are met, conditioned upon the execution by the Company and the Participant of this Agreement setting forth all the terms and conditions applicable to such award;

NOW, THEREFORE, in consideration of the benefits which the Company expects to be derived from the services rendered to it and its subsidiaries by the Participant and of the covenants contained herein, the parties hereby agree as follows:

1. Award of Performance Share Units. Subject to the terms and conditions of the Plan, the Committee or the Board has awarded to the Participant as of <<GRANT DATE>> ("Award Date") a certain number of Performance Share Units (the "Performance Share Units") which the Participant will have an opportunity to earn over the Performance Period (as defined below) if certain performance goals are met in accordance with Section 4, and certain vesting requirements are met in accordance with Section 5, subject to the terms, conditions and restrictions set forth in this Agreement. Each Performance Share Unit represents the right to receive one share of Common Stock upon satisfaction of the performance, vesting and other conditions set forth in this Agreement.
2. Target Number of Performance Share Units. The target number of Performance Share Units awarded is <<NUMBER>>. The Participant can earn up to <<%>> of the target number of Performance Share Units or as little as no Performance Share Units, depending upon actual performance during the Performance Period compared to the performance goals established by the Committee.
3. Performance Period. The period during which the performance goals apply (the "Performance Period") begins <<PERFORMANCE PERIOD>>.

4. Performance Goals.

- (a) The performance goals and the level of performance for the performance goals that is required to earn the Performance Share Units were established by the Committee. The number of Performance Share Units earned will be determined based on the Company's achievement of Total Shareholder Return ("TSR") as compared to the TSR of each of the Peer Companies, with the number earned being equal to the target number of Performance Share Units multiplied by the "Payout as a Percentage of Target" based on such performance as shown below:

Company TSR compared to TSR of the Peer Companies	Payout as a Percentage of Target
<<RANK 1>>	<<%>>
<<RANK 2>>	<<%>>
<<RANK 3>>	<<%>>
<<RANK 4>>	<<%>>
<<RANK 5>>	<<%>>

Company TSR performance between the stated percentiles of the Peer Companies will be calculated using straight line interpolation.

Within the sixty (60) day period following the end of the Performance Period, the Committee will determine the extent to which the performance goals have been met and the number of Performance Share Units earned (rounded to the nearest whole Performance Share Unit).

The Committee must certify the performance results in writing following the end of the Performance Period. The Committee may exercise its discretion to reduce the number of Performance Share Units earned in its assessment of performance in relation to the performance goals or in light of other considerations that the Committee deems relevant.

- (b) The following terms have the following meanings for purposes hereof:
- (i) "Total Shareholder Return" for a company (including the Company) shall be computed as the average closing stock price of the company's common stock for the last fifteen (15) trading days of the Performance Period minus the average closing stock price of the company's common stock for the first fifteen (15) trading days of the Performance Period plus the amount of dividends paid by the company per share of common stock during the Performance Period, divided by the average closing stock price of the company's common stock for the first fifteen (15) trading days of the Performance Period.
 - (ii) "Peer Companies" shall mean <<DESCRIBE PEER COMPANIES>>.

5. Vesting and Payment.

- (a) Vesting Determination. Subject to accelerated vesting or forfeiture as hereinafter provided, the Performance Share Units that are earned in accordance with Section 4 shall be vested and non-forfeitable ("Vested" or "Vesting") as of the date the Committee certifies the performance results which certification date shall occur within the sixty (60) day period following the end of the Performance Period (the certification date is defined as the "Payment Date"), but only if the Participant has remained continuously employed with the Company or any of its Subsidiaries through the Payment Date and any unearned or unvested Performance Share Units shall be automatically forfeited to the Company and cancelled. The Performance Shares (as defined below) for the Performance Share Units that become Vested under this Section 5(a) shall be paid on the Payment Date.

(b) Vesting Acceleration.

(i) Death or Disability: If the Participant does not remain continuously employed through the Payment Date due to the Participant's death or permanent and total disability (within the meaning of Section 22(e)(3) of the Internal Revenue Code) ("Disability"), then a Pro-Rata Portion (rounded to the nearest whole Performance Share Unit) of the Performance Share Units earned based on the Committee's determination of the level of achievement for the performance goals for the entire Performance Period in accordance with Section 4 shall become Vested on the later of (A) the last day of the Performance Period or (B) the earlier of the date of the Participant's death or Disability and any unearned or unvested Performance Share Units shall be automatically forfeited to the Company and cancelled. The Performance Shares for the Performance Share Units that become Vested under this Section 5(b)(i) shall be paid to the Participant's designated beneficiary (or, if none, to his estate) or to the Participant, whichever is applicable, on the Payment Date as defined in Section 5(a).

(ii) Normal Retirement:

(A) Existing Non-Competition Agreement: If the Participant does not remain continuously employed through the Payment Date due to the Participant's retirement at or after age 65, provided no Cause (as defined below) exists at the time of retirement for the Company to terminate his employment ("Normal Retirement") and provided, upon such Normal Retirement, the Participant is subject to a non-competition covenant under an agreement with the Company or a subsidiary unrelated to this Agreement, then a Pro-Rata Portion (rounded to the nearest whole Performance Share Unit) of the Performance Share Units earned based on the Committee's determination of the level of achievement for the performance goals for the entire Performance Period in accordance with Section 4 shall become Vested on the last day of the Performance Period and any unearned or unvested Performance Share Units shall be automatically forfeited to the Company and cancelled. The Performance Shares for the Performance Share Units that become Vested under this Section 5(b)(ii)(A) shall be paid to the Participant on the Payment Date as defined in Section 5(a).

(B) No Existing Non-Competition Agreement: If the Participant does not remain continuously employed through the Payment Date due to the Participant's Normal Retirement and provided the Participant is not subject to a non-competition covenant under an agreement with the Company or a subsidiary unrelated to this Agreement, then, for accelerated vesting to apply under this Section 5(b)(ii)(B), the Participant must execute and deliver to the Company, no later than the date of such Normal Retirement, a non-competition agreement in a form acceptable to the Company. If the Participant timely executes and delivers such non-competition agreement, then a Pro-Rata Portion (rounded to the nearest whole Performance Share Unit) of the Performance Share Units earned based on the Committee's determination of the level of achievement for the performance goals for the entire Performance Period in accordance with Section 4 shall become Vested on the later of the last day of the Performance Period or the date the Participant executes and delivers such non-competition agreement, and any unearned or unvested Performance Share Units shall be automatically forfeited to the Company and cancelled. The Performance Shares for the Performance Share Units that become Vested under this Section 5(b)(ii)(B) shall be paid to the Participant on the Payment Date as defined in Section 5(a).

- (iii) Other Retirements: If the Participant does not remain continuously employed through the Payment Date due to the Participant's retirement that does not meet the standard for Normal Retirement, then, provided no Cause exists for the Company to terminate his employment at such time, the Committee may, in its sole discretion, waive the automatic forfeiture of any or all unvested Performance Share Units otherwise provided in Section 7 and provide for such Vesting and other restrictions as it deems appropriate; provided, however, that any additional vesting provisions shall not extend Vesting beyond the original Payment Date and such Performance Share Units shall remain subject to the performance criteria set forth in Section 4 for the entire Performance Period and shall be subject to pro-rata. The Pro-Rata Portion (rounded to the nearest whole Performance Share Unit) of the Performance Share Units earned based on the Committee's determination of the level of achievement for the performance goals for the entire Performance Period in accordance with Section 4 shall become Vested as provided by the Committee and any unearned or unvested Performance Share Units shall be automatically forfeited to the Company and cancelled. The Performance Shares for the Performance Share Units that become Vested under this Section 5(b)(iii) shall be paid to the Participant on the Payment Date as defined in Section 5(a).
- (iv) Change in Control: Notwithstanding any other provision of Section 5, in the event of a Change in Control of the Company, Vesting and payment of the Performance Share Units that have not previously become Vested or have not previously been forfeited under Section 5(a), 5(b)(i)-(iii) or Section 7, shall be determined under this Section 5(b)(iv). If a Change in Control occurs on or before the end of the Performance Period, and provided the Participant has remained in employment with the Company or any of its subsidiaries until the Change in Control, the target number of Performance Share Units shall be deemed earned and shall become Vested and shall be paid upon the Change in Control. In the event a Change in Control occurs following the end of the Performance Period but before the Payment Date defined in Section 5(a), and provided the Participant has remained in employment with the Company or any of its subsidiaries until the Change in Control, the Performance Share Units that are earned in accordance with Section 4 shall become Vested upon the Change in Control and shall be paid within thirty (30) days of the Change in Control (or, if earlier, on the Payment Date).

For purposes of this Section 5(b), "Cause" has the meaning set forth in any employment agreement, or, if none, in any change in control agreement, then in effect between the Participant and the Company or a subsidiary, if applicable, and, if the Participant has no such agreement or if such agreement does not define the term, "Cause" means (i) the willful and continued failure of the Participant to substantially perform the Participant's duties with the Company or one of its subsidiaries (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Participant by the Company, or (ii) the willful engaging by the Participant in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company or one of its subsidiaries.

For purposes of this Section 5(b), a "Pro-Rata Portion" is determined by a fraction (not to exceed one), the numerator of which is the number of months in the Performance Period during which the Participant was continuously in the employment of the Company and the denominator of which is the number of months in the entire Performance Period. The Participant will be deemed to be employed for a month if the Participant's retirement, death or Disability occurs after the fifteenth (15th) day of a month.

- (c) Payment; Delivery of Shares of Common Stock. Shares of Common Stock corresponding to the number of Performance Share Units that have been earned and become Vested (“Performance Shares”) shall be paid to the Participant, or, if deceased, to the Participant’s designated beneficiary (or, if none, to his estate), in settlement of the Performance Share Units, at the times provided in Sections 5(a) and 5(b). However, notwithstanding any other payment timing provision in this Agreement, in all events, payment and delivery of the Performance Shares shall be made no later than the last day of the 2-1/2 month period following the end of the calendar year in which the right to the payment is no longer subject to a substantial risk of forfeiture. Such payment shall be accomplished either by delivering a share certificate or by providing evidence of electronic delivery, and the Performance Shares shall be registered in the name of the Participant or, if deceased, the Participant’s designated beneficiary (or, if none, his estate). Such Performance Shares shall be fully paid and nonassessable when issued.
6. No Dividend Equivalents. The Participant shall have no right to dividend equivalents or dividends on the Performance Share Units.
7. Termination of Employment. If the Participant’s employment with the Company and its subsidiaries ceases prior to the Payment Date and Section 5(b) does not or has not applied, then all Performance Share Units shall be automatically forfeited to the Company and cancelled on the date the Participant’s employment terminates and no Performance Shares shall be issued to the Participant.
8. Employment. Nothing under the Plan or in this Agreement shall confer upon the Participant any right to continue in the employ of the Company or its subsidiaries or in any way affect the Company’s right to terminate Participant’s employment without prior notice at any time for any or no reason (subject to the terms of any employment agreement between the Participant and the Company or a subsidiary).
9. Withholding Taxes. The Company shall have the right to retain and withhold the amount of taxes (at the statutorily required rates) required by any government to be withheld or otherwise deducted and paid with respect to the Performance Share Units. At its discretion, the Committee may require the Participant to reimburse the Company for any such taxes required to be withheld by the Company and to withhold any distribution in whole or in part until the Company is so reimbursed. The Participant or any successor in interest is authorized to deliver shares of Common Stock having a Fair Market Value on the date that the amount of tax to be withheld is to be determined and cancel any such shares so delivered in order to satisfy the Company’s withholding obligations. The Participant or any successor in interest is also authorized to elect to have the Company retain and withhold from any Performance Shares deliverable in payment of the Performance Share Units the number of Performance Shares having a Fair Market Value on the date that the amount of tax to be withheld is to be determined and cancel any such shares so withheld in order to satisfy the Company’s withholding obligations. In the event the Participant does not deliver or elect to have the Company retain and withhold shares of Common Stock as described in this Section 9, the Company shall have the right to withhold from any other cash amounts due to or to become due from the Company or a subsidiary to the Participant an amount equal to such taxes required to be withheld by the Company to reimburse the Company for any such taxes.
10. Administration. The Committee shall have full authority and discretion (subject only to the express provisions of the Plan) to decide all matters relating to the administration and interpretation of the Plan and this Agreement. All such Committee determinations shall be final, conclusive and binding upon the Company and the Participant.

11. Notices. Any notice to the Company required under or relating to this Agreement shall be in writing and addressed to:

Union Bankshares Corporation
Attention: Equity Plan Administrator
1051 East Cary Street
Suite 1200
Richmond, Virginia 23219

Any notice to the Participant required under or relating to this Agreement shall be in writing and addressed to the Participant at his address as it appears on the records of the Company.

12. Governing Law. This Agreement shall be construed and administered in accordance with and governed by the laws of the Commonwealth of Virginia.
13. Successors. This Agreement shall be binding upon and inure to the benefit of the successors, assigns, heirs and legal representatives of the respective parties.
14. Entire Agreement. This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing signed by the parties or as otherwise provided in the Plan.
15. Severability. The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.
16. Construction and Capitalized Terms. This Agreement shall be administered, interpreted and construed in accordance with the applicable provisions of the Plan and in accordance with the Performance Share Units being a Performance-Based Compensation Award [and “performance-based compensation” within the meaning of Section 162(m)(4)(C) of the Internal Revenue Code]. Capitalized terms in this Agreement have the meaning assigned to them in the Plan, unless this Agreement provides, or the context requires, otherwise.
17. Rights as Shareholder. The holder of Performance Share Units shall not be, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Performance Shares issuable upon the payment of a Vested Performance Share Unit unless and until a certificate or certificates representing such shares of Common Stock shall have been issued by the Company to such holder or a book entry representing such shares of Common Stock has been made by the registrar of the Company.
18. Clawback. As a condition of receiving the Performance Share Units, the Participant acknowledges and agrees that the Participant’s rights, payments and benefits with respect to the Performance Share Units and any Performance Shares shall be subject to any reduction, cancellation, forfeiture or recoupment, in whole or in part, (a) upon the occurrence of certain specified events, as may be required by applicable rule or regulation of the Securities and Exchange Commission or any applicable national exchange, or by any other applicable law, rule or regulation, or (b) as the Committee may determine in its sole discretion is appropriate in the event the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws.

To evidence their agreement to the terms, conditions and restrictions hereof, the Company and the Participant have signed this Agreement, either manually or by means of electronic or digital signatures, which shall have the same force and effect as manual signatures. Participant acknowledges and agrees that accepting this Agreement through the online grant acceptance screen designated by the Company for the Plan has the effect of affixing Participant's electronic signature to this Agreement as of the Award Date.

UNION BANKSHARES CORPORATION

By: _____
 <<OFFICER NAME>
 <<OFFICER TITLE>>

Date: <<GRANT DATE>>