UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2021

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 001-39325

ATLANTIC UNION BANKSHARES CORPORATION

(Exact name of registrant as specified in its charter)

Virginia	**54-1598552**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

1051 East Cary Street, Suite 1200, Richmond, Virginia 23219

(Address of principal executive offices) (Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, par value $1.33 per share	AUB	The NASDAQ Global Select Market
Depositary Shares, Each Representing a 1/400th Interest in a Share of 6.875% Perpetual Non-Cumulative Preferred Stock, Series A	AUBAP	The NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of common stock held by non-affiliates of the registrant as of June 30, 2021 was approximately $2,790,107,479 based on the closing share price on that date of $36.22 per share.

The number of shares of common stock outstanding as of February 16, 2022 was 75,583,898.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be used in conjunction with the registrant's 2022 Annual Meeting of Shareholders are incorporated by reference into Part III of this Form 10-K.

ATLANTIC UNION BANKSHARES CORPORATION
FORM 10-K
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Glossary of Acronyms and Defined Terms

Access	–	Access National Corporation and its subsidiaries
ACL	–	Allowance for credit losses
AFS	–	Available for sale
ALCO	–	Asset Liability Committee
ALLL	–	Allowance for loan and lease losses, a component of ACL
AOCI	–	Accumulated other comprehensive income (loss)
ASC	–	Accounting Standards Codification
ASC 326	–	ASU 2016-13, *Financial Instruments and Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*
ASC 350	–	ASC 350, *Goodwill and Other Intangible Assets*
ASC 718	–	ASC 718, *Compensation – Stock Compensation*
ASC 820	–	ASC 820, *Fair Value Measurements and Disclosures*
ASU	–	Accounting Standards Update
ATM	–	Automated teller machine
the Bank	–	Atlantic Union Bank (formerly, Union Bank & Trust)
BHCA	–	Bank Holding Company Act of 1956
BOLI	–	Bank-owned life insurance
bps	–	Basis points
CAA	–	Consolidated Appropriations Act, 2021
CARES Act	–	Coronavirus Aid, Relief, and Economic Security Act
CAMELS	–	International rating system bank supervisory authorities use to rate financial institutions
CDARS	–	Certificates of Deposit Account Registry Service
CECL	–	Current expected credit losses
CFPB	–	Consumer Financial Protection Bureau
CLP	–	Commercial Loan Policy
Code	–	Internal Revenue Code of 1986, as amended
the Company	–	Atlantic Union Bankshares Corporation (formerly, Union Bankshares Corporation) and its subsidiaries
COVID-19	–	Novel coronavirus disease
CRA	–	Community Reinvestment Act of 1977
DEI	–	Diversity, Equity, and Inclusion
depositary shares	–	Depositary shares, each representing a 1/400th ownership interest in a share of the Company's Series A preferred stock, with a liquidation preference of $10,000 per share of Series A preferred stock (equivalent to $25 per depositary share)
DHFB	–	Dixon, Hubard, Feinour & Brown, Inc.
DIF	–	Deposit Insurance Fund
Dodd-Frank Act	–	Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
EGRRCPA	–	Economic Growth, Regulatory Relief, and Consumer Protection Act
EPS	–	Earnings per common share
ESOP	–	Employee Stock Ownership Plan
Exchange Act	–	Securities Exchange Act of 1934, as amended
FASB	–	Financial Accounting Standards Board
FCMs	–	Futures Commission Merchants
FDIA	–	Federal Deposit Insurance Act
FDIC	–	Federal Deposit Insurance Corporation
FDICIA	–	Federal Deposit Insurance Corporation Improvement Act
Federal Reserve	–	Board of Governors of the Federal Reserve System
Federal Reserve Act	–	Federal Reserve Act of 1913, as amended
Federal Reserve Bank or FRB	–	Federal Reserve Bank of Richmond
FHLB	–	Federal Home Loan Bank of Atlanta
FHLMC	–	Federal Home Loan Mortgage Corporation
FinCEN	–	Financial Crimes Enforcement Network
FIRREA	–	Financial Institutions Reform, Recovery, and Enforcement Act
FNMA	–	Federal National Mortgage Association

Form 10-K	–	Annual Report on Form 10-K for the year ended December 31, 2021
FTE	–	Fully taxable equivalent
GAAP or U.S. GAAP	–	Accounting principles generally accepted in the United States
GNMA	–	Government National Mortgage Association
HTM	–	Held to maturity
ICE	–	Intercontinental Exchange Data Services
the Joint Guidance	–	The five federal bank regulatory agencies and the Conference of State Bank Supervisors guidance issued on March 22, 2020 (subsequently revised on April 7, 2020)
LHFI	–	Loans held for investment
LHFS	–	Loans held for sale
LIBOR	–	London Interbank Offered Rate
MBS	–	Mortgage-Backed Securities
NASDAQ	–	National Association of Securities Dealers Automated Quotations exchange
NOL	–	Net operating losses
NORA	–	Notice and Opportunity to Respond and Advise
NOW	–	Negotiable order of withdrawal
NPA	–	Nonperforming assets
NSF	–	Nonsufficient funds
OAL	–	Outfitter Advisors, Ltd.
OCI	–	Other comprehensive income
ODCM	–	Old Dominion Capital Management, Inc.
OFAC	–	Office of Foreign Assets Control
OREO	–	Other real estate owned
OTC	–	Over-the-counter
OTTI	–	Other than temporary impairment
PCA	–	Prompt Corrective Action
PCI	–	Purchased credit impaired
PCD	–	Purchased credit deteriorated
PD/LGD	–	Probability of default/loss given default
PPPLF	–	Paycheck Protection Program Liquidity Facility
PPP	–	Paycheck Protection Program
PSU	–	Performance stock unit
Repurchase Program	–	The share repurchase program, approved on December 10, 2021 by the Company’s Board of Directors, which authorizes the Company to purchase up to $100 million worth of the Company’s common stock
REVG	–	Real Estate Valuation Group
ROU Asset	–	Right of Use Asset
RSA	–	Restricted stock award
RSU	–	Restricted stock unit
RUC	–	Reserve for unfunded commitments
RVI	–	Residual value insurance
SBA	–	Small Business Administration
SCC	–	Virginia State Corporation Commission
SEC	–	U.S. Securities and Exchange Commission
Securities Act	–	Securities Act of 1933, as amended
Series A preferred stock	–	6.875% Perpetual Non-Cumulative Preferred Stock, Series A, par value $10.00 per share
SOFR	–	Secured Overnight Financing Rate
SSFA	–	Simplified supervisory formula approach
TDR	–	Troubled debt restructuring
TFSB	–	The Federal Savings Bank
Topic 606	–	ASU No. 2014-09, *“Revenue from Contracts with Customers: Topic 606”*
Topic 740	–	ASU 2019-12, “*Income Taxes: Simplifying the Accounting for Income Taxes”*
Topic 848	–	ASU No. 2020-04, *“Reference Rate Reform: Facilitation of the Effects of Reference Rate Reform on Financial Reporting”*
UIG	–	Union Insurance Group, LLC
UMG	–	Union Mortgage Group, Inc.

VFG	–	Virginia Financial Group, Inc.
Xenith	–	Xenith Bankshares, Inc. and its subsidiaries
2031 Notes	–	$250.0 million of 2.875% fixed-to-floating rate subordinated notes issued by the Company during the fourth quarter of 2021 with a maturity date of December 15, 2031

FORWARD-LOOKING STATEMENTS

Certain statements in this Form 10-K may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that include, without limitation, projections, predictions, expectations, or beliefs about future events or results or otherwise are not statements of historical fact. Such forward-looking statements are based on certain assumptions as of the time they are made, and are inherently subject to known and unknown risks and uncertainties, some of which cannot be predicted or quantified, that may cause actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Such statements are often characterized by the use of qualified words (and their derivatives) such as “expect,” “believe,” “estimate,” “plan,” “project,” “anticipate,” “intend,” “will,” “may,” “view,” “opportunity,” “potential,” or words of similar meaning or other statements concerning opinions or judgment of the Company and its management about future events. Although the Company believes that its expectations with respect to forward-looking statements are based upon reasonable assumptions within the bounds of its existing knowledge of its business and operations, there can be no assurance that actual future results, performance, or achievements of, or trends affecting, the Company will not differ materially from any projected future results, performance, achievements or trends expressed or implied by such forward-looking statements. Actual future results, performance, achievements or trends may differ materially from historical results or those anticipated depending on a variety of factors, including, but not limited to, the effects of or changes in:

- changes in interest rates,
- general economic and financial market conditions in the United States generally and particularly in the markets in which the Company operates and which its loans are concentrated, including the effects of declines in real estate values, an increase in unemployment levels, and slowdowns in economic growth, including as a result of the COVID-19 pandemic,
- the quality or composition of the loan or investment portfolios and changes therein,
- demand for loan products and financial services in the Company’s market area,
- the Company’s ability to manage its growth or implement its growth strategy,
- the effectiveness of expense reduction plans,
- the introduction of new lines of business or new products and services,
- the Company’s ability to recruit and retain key employees,
- real estate values in the Bank’s lending area,
- an insufficient ACL,
- changes in accounting principles relating to the CECL methodology,
- the Company’s liquidity and capital positions,
- concentrations of loans secured by real estate, particularly commercial real estate,
- the effectiveness of the Company’s credit processes and management of the Company’s credit risk,
- the Company’s ability to compete in the market for financial services and increased competition from fintech companies,
- technological risks and developments, and cyber-threats, attacks or events,
- the potential adverse effects of unusual and infrequently occurring events, such as weather-related disasters, terrorist acts or public health events (such as the COVID-19 pandemic), and of governmental and societal responses thereto; these potential adverse effects may include, without limitation, adverse effects on the ability of the Company's borrowers to satisfy their obligations to the Company, on the value of collateral securing loans, on the demand for the Company's loans or its other products and services, on supply chains and methods used to distribute products and services, on incidents of cyberattack and fraud, on the Company’s liquidity or capital positions, on risks posed by reliance on third-party service providers, on other aspects of the Company's business operations and on financial markets and economic growth,
- the effect of steps the Company takes in response to the COVID-19 pandemic, the severity and duration of the pandemic, the uncertainty regarding new variants of COVID-19 that have emerged, the speed and efficacy of vaccine and treatment developments, the impact of loosening or tightening of government restrictions, the pace of recovery when the pandemic subsides and the heightened impact it has on many of the risks described herein,
- the discontinuation of LIBOR and its impact on the financial markets, and the Company’s ability to manage operational, legal and compliance risks related to the discontinuation of LIBOR and implementation of one or more alternate reference rates,
- performance by the Company’s counterparties or vendors,
- deposit flows,

- the availability of financing and the terms thereof,
- the level of prepayments on loans and MBS,
- legislative or regulatory changes and requirements, including the impact of the CARES Act, as amended by the CAA, and other legislative and regulatory reactions to the COVID-19 pandemic,
- potential claims, damages, and fines related to litigation or government actions, including litigation or actions arising from the Company's participation in and administration of programs related to the COVID-19 pandemic, including, among other things, under the CARES Act, as amended by the CAA,
- the effects of changes in federal, state or local tax laws and regulations,
- monetary and fiscal policies of the U.S. government including policies of the U.S. Department of the Treasury and the Federal Reserve,
- changes to applicable accounting principles and guidelines, and
- other factors, many of which are beyond the control of the Company.

More information on risk factors that could affect the Company's forward-looking statements is included under the section entitled "Risk Factors" set forth herein. All risk factors and uncertainties described herein should be considered in evaluating forward-looking statements, all forward-looking statements made in this Form 10-K are expressly qualified by the cautionary statements contained in this Form 10-K, and undue reliance should not be placed on such forward-looking statements. The actual results or developments anticipated may not be realized or, even if substantially realized, they may not have the expected consequences to or effects on the Company or its businesses or operations. Forward-looking statements speak only as of the date they are made. The Company does not intend or assume any obligation to update, revise or clarify any forward-looking statements that may be made from time to time by or on behalf of the Company, whether as a result of new information, future events or otherwise.

PART I

ITEM 1. - BUSINESS.

GENERAL

The Company is a financial holding company and a bank holding company organized under Virginia law and registered under the BHCA. The Company, headquartered in Richmond, Virginia is committed to the delivery of financial services through its subsidiary Atlantic Union Bank and non-bank financial services affiliates. As of February 25, 2022, the Company's bank subsidiary and certain non-bank financial services affiliates were:

Bank Subsidiary

Atlantic Union Bank	Richmond, Virginia

Non-Bank Financial Services Affiliates

Atlantic Union Equipment Finance, Inc.	Atlanta, Georgia
Dixon, Hubard, Feinour & Brown, Inc.	Roanoke, Virginia
Atlantic Union Financial Consultants, LLC	Reston, Virginia
Union Insurance Group, LLC	Richmond, Virginia

History

The Company was formed in connection with the July 1993 merger of Northern Neck Bankshares Corporation and Union Bancorp, Inc. Although the Company was formed in 1993, Union Bank & Trust Company, a predecessor of Atlantic Union Bank, was formed in 1902, and certain other of the community banks that were acquired and ultimately merged to form what is now Atlantic Union Bank were among the oldest in Virginia at the time they were acquired.

The table below indicates the year each community bank was formed, acquired by the Company, and merged into what is now Atlantic Union Bank.

	Formed	Acquired	Merged
Atlantic Union Bank	1902	n/a	2010
Northern Neck State Bank	1909	1993	2010
King George State Bank	1974	1996	1999
Rappahannock National Bank	1902	1998	2010
Bay Community Bank	1999	de novo bank	2008
Guaranty Bank	1981	2004	2004
Prosperity Bank & Trust Company	1986	2006	2008
First Market Bank, FSB	2000	2010	2010
StellarOne Bank	1994	2014	2014
Xenith Bank	1987	2018	2018
Access National Bank	1999	2019	2019

On February 1, 2019, the Company completed its acquisition of Access and the merger of Access' wholly-owned subsidiary, Access National Bank, with and into the Bank, with the Bank surviving. In connection with the foregoing, the Company acquired the former subsidiaries of Access and Access National Bank (as applicable), including, without limitation, Middleburg Investment Services, LLC and Middleburg Trust Company. In 2019, Middleburg Trust Company was dissolved.

The Company's headquarters are located in Richmond, Virginia, and its primary operations centers are located in the Richmond Metropolitan area.

Product Offerings and Market Distribution

The Company is a financial holding company and bank holding company organized under the laws of the Commonwealth of Virginia and headquartered in Richmond, Virginia. The Company provides a full range of financial services through its bank subsidiary, Atlantic Union Bank, throughout Virginia and in portions of Maryland and North Carolina. The Bank is a commercial bank chartered under the laws of the Commonwealth of Virginia that provides banking, trust, and wealth management services. As of February 25, 2022, the Bank had 130 branches and approximately 150 ATMs located throughout Virginia, and portions of Maryland and North Carolina. Certain non-bank affiliates of the Company include: Atlantic Union Equipment Finance, Inc., which provides equipment financing; Dixon, Hubard, Feinour & Brown, Inc., which provide investment advisory services; Atlantic Union Financial Consultants LLC, which provides brokerage services; and Union Insurance Group, LLC, which offers various lines of insurance products.

Effective March 1, 2021, Middleburg Financial, the Bank's wealth management division was rebranded to Atlantic Union Bank Wealth Management, and Middleburg Investment Services, LLC changed its name to Atlantic Union Financial Consultants, LLC.

The Bank is a full-service bank offering consumers and businesses a wide range of banking and related financial services, including checking, savings, certificates of deposit, and other depository services, as well as loans for commercial, industrial, residential mortgage, and consumer purposes. The Bank offers mobile and internet banking services and online bill payment for all customers, whether retail or commercial. Additionally, the Bank also offers a full array of Treasury Management and related working capital services to its commercial clients. The Bank offers credit cards through an arrangement with Elan Financial Services and delivers ATM services through the use of reciprocally shared ATMs in the major ATM networks as well as remote ATMs for the convenience of customers and other consumers. The Bank's wealth management division, which operates under the brand Atlantic Union Bank Wealth Management, offers a wide variety of financial planning, wealth management and trust services.

Atlantic Union Financial Consultants, LLC, formerly named Middleburg Investment Services, LLC offers brokerage services and executes securities transactions through Raymond James, Inc., an independent broker dealer.

The Bank has loan production offices in North Carolina and Maryland.

The Bank operates a mortgage business as a division of the Bank under the Atlantic Union Bank Home Loans Division brand. The Atlantic Union Bank Home Loans Division business lends to borrowers nationwide.

UIG, an insurance agency, is owned by the Bank. This agency operates in an agreement with Bankers Insurance, LLC, a large insurance agency owned by community banks across Virginia and managed by the Virginia Bankers Association. UIG generates revenue through sales of various insurance products through Bankers Insurance LLC, including long-term care insurance and business owner policies. UIG also maintains ownership interests in two title agencies owned by community banks across Virginia and generates revenues through sales of title policies in connection with the Bank's lending activities.

Effective October 1, 2021, Old Dominion Capital Management, Inc., and its subsidiary, Outfitter Advisors, Ltd., merged with and into DHFB, as part of an internal reorganization to streamline operations and now operates as a division of DHFB. ODCM continues to operate as a division of DHFB.

DHFB is a Roanoke, Virginia based registered investment advisory firm with offices in Roanoke, Charlottesville, and Arlington, Virginia. DHFB offers a wide range of investment management and financial planning services, including investment portfolio management, primarily to individuals and families and also provides investment advisory services to foundations, endowments and trusts.

Atlantic Union Equipment Finance, a wholly-owned subsidiary of the Bank, provides equipment financing to commercial and corporate customers nationwide. This business includes providing financing for a wide array of equipment types, including marine, tractors, trailers, buses, construction, manufacturing and medical, among others.

SEGMENTS

The Company has one reportable segment: its traditional full-service community banking business. For more financial data and other information about the Company's operating segment, refer to Note 1 "Summary of Significant Accounting Policies" in the "Notes to Consolidated Financial Statements" contained in Item 8 of this Form 10-K.

Effective May 23, 2018, the Bank began winding down the operations of UMG, the reportable mortgage segment. UMG operations remain discontinued, although the Company continues to offer residential mortgages through a division of the Bank, and are presented as discontinued operations for the year ended December 31, 2019. As of December 31, 2021 and 2020, the assets and liabilities, as well as the operating results, of the discontinued mortgage segment were not considered material.

EXPANSION AND STRATEGIC ACQUISITIONS

The Company expands its market area and increases its market share through organic growth (internal growth and de novo expansion) and strategic acquisitions. Strategic acquisitions by the Company to date have included whole bank acquisitions, branch and deposit acquisitions, purchases of existing branches from other banks, and registered investment advisory firms. The Company generally considers acquisitions of companies in strong growth markets or with unique products or services that will benefit the entire organization. Targeted acquisitions are priced to be economically feasible with expected minimal short-term drag to achieve positive long-term benefits. These acquisitions may be paid for in the form of cash, stock, debt, or a combination thereof. The amount and type of consideration and deal charges paid could have a short-term dilutive effect on the Company's earnings per share or book value. However, management anticipates that the cost savings and revenue enhancements in such transactions will provide long-term economic benefit to the Company.

On February 1, 2019, the Company acquired Access, pursuant to the Agreement and Plan of Reorganization dated as of October 4, 2018, as amended December 7, 2018, including a related Plan of Merger (the "Merger Agreement"). Pursuant to the Merger Agreement, Access's common shareholders received 0.75 shares of the Company's common stock in exchange for each share of Access's common stock, with cash paid in lieu of fractional shares, resulting in the Company issuing 15,842,026 shares of common stock. In connection with the transaction, Access National Bank, Access's wholly-owned bank subsidiary, was merged with and into the Bank.

The Company expects to continue to assess future opportunities to acquire banks and other financial companies based on market and other conditions, applying the criteria described above.

HUMAN CAPITAL RESOURCES

The Company continuously works towards balancing its commitments to its key stakeholders: its teammates, customers, shareholders, regulators and communities. In order to accomplish this, it is crucial that the Company attract and retain talent who desire to enrich the lives of the people and communities the Company serves. To facilitate talent attraction and retention, the Company strives to make itself an inclusive, diverse, safe and healthy workplace, providing opportunities for its teammates to grow and develop in their careers, supported by strong compensation, benefits, health and welfare programs.

Employee Profile

As of December 31, 2021, the Company had 1,876 full-time equivalent employees (which the Company refers to as “teammates”), including executive officers, loan and other banking officers, branch personnel, and operations and other support personnel. None of the Company’s teammates are represented by a union or covered under a collective bargaining agreement.

As of December 31, 2021, the Company’s workforce was comprised of approximately 64% women and 21% self-identified minorities. As of December 31, 2021, the average tenure of the Company’s teammates was 7.6 years.

Our Workplace Culture

The Company seeks to be recognized as the Premier Mid-Atlantic Bank – a high performing company that makes banking easy by providing competitive banking solutions, a highly differentiated customer and teammate experience and a great place to work. The Company’s culture is defined by its purpose to enrich the lives of the people and the communities it serves. The Company’s core values guide its actions to further this purpose and shape how the organization comes together to meet its various stakeholder needs and expectations. The Company uses the term “teammates” to describe its employees because the Company views itself as one team.

The Company’s core values serve as the foundation for how teammates behave and how we operate as an organization and influence our future success. Caring, Courageous and Committed are the core values that guide our actions:

- **Caring**. Working together toward common goals, acting with kindness, respect and a genuine concern for others
- **Courageous**. Speaking openly, honestly and accepting our challenges and mistakes as opportunities to learn and grow
- **Committed**. Driven to help our clients, teammates and Company succeed, doing what is right and accountable for our actions

The Company also fosters a culture of giving back to the communities where our customers live, work, and play. Charitable donations, small business lending, volunteerism, teaching financial literacy and promoting diversity and inclusion within our communities, are some of the ways we give back.

The COVID-19 Pandemic

The Company believes that by effectively managing through the COVID-19 pandemic, the Company is stronger and well positioned to take advantage of growth opportunities as economic and social activities resume. Throughout the pandemic, the Company has been and remains intensely focused on the safety and wellbeing of teammates and customers. The Company openly communicates with, and continuously surveys, our teammates to understand their biggest concerns and needs, including in connection with the COVID-19 pandemic.

Throughout the COVID-19 pandemic, the Company has instituted numerous safety protocols and procedures based on current health guidance from federal and state agencies. The Company also established an additional pandemic paid-time off program to assist teammates with unexpected time-off associated with COVID-19 and planned time off for vaccination. While the Company has not mandated vaccination for teammates, the Company continues to strongly encourage and provide information and resources to support individual decisions.

Compensation and Benefits

The Company's compensation programs are designed to attract, retain and motivate high performing talent and provide market aligned pay programs in support of the Company's business strategies. The Company's compensation programs are tied to both the individual and Company's performances. In addition, the Company uses the services of a compensation consultant and other consultants and regularly benchmarks its compensation and benefits program against its peers. All compensation policies and procedures are designed to ensure proper governance and acceptable levels of risk. Individual teammate total pay is influenced by the nature and scope of the job, what other employers pay for comparable jobs, experience and individual performance. Minimum wage levels are established for all jobs through a formal salary structure that establishes a defined salary range for each position. In addition to base wages, annual merit-based salary increases are provided to eligible teammates.

Approximately 65% percent of the Company's teammates are provided with an incentive opportunity under a formal incentive plan with measurable goals and metrics. All incentive programs have both upside and downside potential and are linked to both the individual and Company's performances. Teammates who are not eligible for an incentive plan are eligible to receive cash profit sharing based on the Company's overall financial performance.

The Company believes that our teammates are best able to deliver a great customer experience if they feel healthy and secure. A variety of benefit programs are offered that flex to meet the needs of our diverse and multigenerational population, as the Company strives for a differentiated and personalized experience and to deliver what is most important to teammates throughout the various stages of their lives and careers. Benefit costs are shared between teammates and the Company in a way that supports mutual fiscal responsibility, and health care costs are managed through a focus on wellness improvement and appropriate use of health care services. The Company's benefits program includes a Company-maintained ESOP, healthcare and insurance benefits, paid time off, inclusive parental leave, a 401(k) Company match, flexible work arrangements, Employee Assistance Programs and tuition expense reimbursements. In 2021 a new holistic wellbeing program was introduced that provides opportunities for teammates to earn financial incentives by participating in activities designed to build and sustain healthy habits.

Talent Development and Training

The Company believes its human capital is its most important asset and is committed to investing in the growth and development of its teammates. The Company's performance development program is very important to delivering business results and helps gain greater alignment between strategic goals, business goals and individual goals. The program is based around a culture of coaching and development by means of continuous conversations to ensure alignment on goals, business objectives, personal development, and career aspirations. The program is structured to operate on an annual basis starting with goal setting and development planning and ending with an annual review. Teammates are encouraged to take ownership of their development and seek guidance from their managers on goals and development areas.

The Company also provides training opportunities to foster growth and development, enhance teammate skillsets, and prepare teammates to be successful in their roles. For example, the Company offers specific, targeted training to all new hires. In addition to professional development, role-based, and regulatory training, the Company also offers training resources on the following subjects: leadership, diversity, equity, and inclusion, policies/procedures, information security, anti-bribery, ethics, product training, anti-money-laundering, technical/systems, and compensation/benefits.

All teammates have access to training opportunities through a learning management system and/or learning experience platform. Training is delivered in multiple modalities: e-learning, job aids, videos, instructor-led, and on-the-job practice supported by trained mentors. The majority of the Company's training materials are regulation-based and managed through a regulatory and compliance program. In addition to job specific training, all teammates are required to complete mandatory compliance courses on a wide range of Company policies and procedures, such as the Company's anti-discrimination policies and ethical standards, and in response to regulatory requirements and changes.

Diversity, Equity and Inclusion

The Company is committed to hiring diverse talent and fostering, cultivating and preserving a culture of a diversity, equity and inclusion. The Company believes that the collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that its teammates invest in their work represents a significant part of not only the Company's culture, but its reputation and achievement as well. The Company strives to foster a culture and workplace that, among other things, is inclusive and welcoming, treats everyone with respect and dignity, promotes people on their merits, and promotes diversity of thoughts, ideas, perspective and values. The Company's Board of Directors seeks diversity in all respects in its selection of directors, including diversity of educational and professional backgrounds; personal accomplishments; individual qualities and attributes that will contribute to Board heterogeneity; age, gender, ethnic and geographic diversity. The Company established its first DEI Council in 2020 which is led by the Chief Executive Officer and includes a cross-functional group of teammates from diverse backgrounds. The DEI Council manages the Company's DEI efforts to create a more diverse, equitable, and inclusive workplace.

From the Company's community involvement, diversity partnership programs and charitable giving to its teammate hiring and retention strategies and daily interactions, diversity, equity and inclusion is integral to how the Company approaches its business.

Privacy and Cybersecurity

The Company strives to protect the privacy and security of the sensitive information our customers entrust to our care. The Company maintains privacy policies, management oversight, accountability structures, and technology design processes to protect private and personal data. The Company's information security program is overseen by senior management, the Risk Committee of the Board of Directors, and the Board of Directors. The Board of Directors reviews the Company's information security program at least annually. The Company also conducts mandatory teammate training on information security annually, as well as ongoing information security education and awareness for teammates, such as online training classes, mock phishing attacks, and information security awareness materials.

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INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Name (Age)	Title and Principal Occupation During at Least the Past Five Years
John C. Asbury (56)	Chief Executive Officer of the Company since January 2017 and President since October 2016; Chief Executive Officer of the Bank since October 2016 and President of the Bank from October 2016 until September 2017 and May to September 2018; President and Chief Executive Officer of First National Bank of Santa Fe from February 2015 until August 2016; Senior Executive Vice President and Head of the Business Services Group at Regions Bank from May 2010 until July 2014, after joining Regions Bank in March 2008 as Business Banking Division Executive; Senior Vice President at Bank of America in a variety of roles; joined the Company's Board of Directors in 2016.
Robert M. Gorman (63)	Executive Vice President and Chief Financial Officer of the Company since joining the Company in July 2012; Senior Vice President and Director of Corporate Support Services in 2011, and Senior Vice President and Strategic Financial Officer of SunTrust Banks, Inc., from 2002 to 2011; serves as a member of the Board of Directors of certain of the Company's affiliates.
Maria P. Tedesco (61)	Chief Operating Officer of the Bank effective January 2022 and Executive Vice President of the Company and President of the Bank since September 2018; Chief Operating Officer for Retail at BMO Harris Bank based in Chicago from 2016 to 2017; Senior Executive Vice President and Managing Director of the Retail Bank at Santander Bank, N.A. from 2014 to 2015; various positions with Citizens Financial Group, Inc. from 1994 to 2014.
David G. Bilko (63)	Executive Vice President and Chief Risk Officer of the Company since joining the Company in January 2014; Chief Risk Officer of StellarOne Corporation from January 2012 to January 2014; Chief Audit Officer of StellarOne Corporation from June 2011 to January 2012; Corporate Operational Risk Officer of SunTrust Banks, Inc. from May 2010 to May 2011; Chief Audit Executive of SunTrust Banks, Inc. from November 2005 to April 2010; various positions with SunTrust Banks, Inc. from 1987 to 2011.
M. Dean Brown (57)	Executive Vice President and Chief Information Officer & Head of Enterprise Operations since joining the Company in February 2015; Chief Information and Back Office Operations Officer of Intersections Inc. from 2012 to 2014; Chief Information Officer of Advance America from 2009 to 2012; Senior Vice President and General Manager of Revolution Money from 2007 to 2008; Executive Vice President, Chief Information Officer and Chief Operating Officer from 2006 to 2007, and Executive Vice President and Chief Information Officer from 2005 to 2007, of Upromise LLC.
Shawn E. O'Brien (50)	Executive Vice President and Consumer Banking Group Executive of the Bank since February 2019; Executive Vice President, Consumer Segment Group and Business Planning for BBVA Compass Bank from 2013 to 2018; various positions at BBVA Compass Bank, including Deposit and Payment Products, Strategic Planning and Corporate Planning and Analysis, from 2005 to 2013; retail brand strategy and product management at Huntington National Bank from 1998 to 2005.
David V. Ring (58)	Executive Vice President and Wholesale Banking Group Executive since joining the Company in September 2017; Executive Vice President and Executive Managing Director at Huntington National Bank from December 2014 to May 2017; Managing Director and Head of Enterprise Banking at First Niagara Financial Group from April 2011 to December 2014; various positions at Wells Fargo and predecessor banks from January 1996 to April 2011, including Wholesale Banking Executive for Virginia to Massachusetts at Wachovia and Greater New York & Connecticut Region Manager.

Name (Age)	Title and Principal Occupation During at Least the Past Five Years
Susan E. Pfautz (50)	Interim Chief Human Resource Officer of the Company effective August 2021 and also Senior Vice President and Head of Total Rewards of the Bank since January 2021; Vice President and Head of Executive Compensation of the Bank from 2014 to 2020; Consultant with Total Benefit Communications from 2009 to 2011; Manager of Executive Compensation & Benefits at Circuit City Stores, Inc. from 2001 to 2009; and Manager, Financial Advisory Services at PricewaterhouseCoopers LLP from 1996 to 2000.

COMPETITION

The financial services industry remains highly competitive and is constantly evolving. The Company experiences strong competition in all aspects of its business. In its market areas, the Company competes with large national and regional financial institutions, credit unions, other independent community banks, as well as consumer finance companies, mortgage companies, loan production offices, mutual funds, life insurance companies and fintech companies. Competition for deposits and loans is affected by various factors including, without limitation, interest rates offered, the number and location of branches and types of products offered, digital capabilities, and the reputation of the institution. Credit unions increasingly have been allowed to expand their membership definitions, and because they enjoy a favorable tax status, they have been able to offer more attractive loan and deposit pricing. The Company's non-bank affiliates also operate in highly competitive environments.

In addition, nonbank competitors are increasingly offering products and services that traditionally were banking products. Many of these nonbank competitors are not subject to the same extensive federal regulations that govern bank holding companies and federally insured banks, which may allow them to offer greater lending limits and certain products and services that the Company and its affiliates do not provide.

The Company believes its community focused banking framework and philosophy provide a competitive advantage, particularly with regard to larger national and regional institutions, allowing the Company to compete effectively. Additionally, the Company's attention to incorporating digital technology has made it possible to provide customers with electronic, mobile, and internet-based financial solutions, such as online deposit accounts and electronic payment processing. The Company has a strong market share within the markets it serves. The Company's deposit market share in Virginia was 7.1% of total bank deposits as of June 30, 2021, making it the largest regional bank headquartered in Virginia at that time.

ECONOMY

The economies in the Company's market areas are widely diverse and include local and federal government, military, agriculture, and manufacturing. Based on Virginia Employment Commission data, the state's seasonally-adjusted unemployment rate is 3.2% as of December 31, 2021, compared to 4.9% at year-end 2020 and continues to be below the national rate of 3.9% at year-end 2021.

COVID-19 has had and may continue to have a wide range of economic impacts. Since the first quarter of 2020, COVID-19 has severely disrupted supply chains and adversely affected production, demand, sales, and employee productivity across a range of industries, and has increased unemployment in the Company's areas of operation and nationally. During 2021, the economy, with certain setbacks, largely re-opened, as there was wider vaccine distribution, resulting in the easing of restrictions related to COVID-19, which appear to have led to greater economic activity. However, the national economy and economies in the Company's areas of operations continued to be impacted during 2021 and are likely to be impacted into 2022, despite the fact that many businesses have re-opened.

The Company's operations are affected not only by general economic conditions but also by the policies of various regulatory authorities. In particular, the Federal Reserve uses monetary policy tools to impact money market and credit market conditions and interest rates to influence general economic conditions. In response to inflationary economic conditions, the Federal Reserve has communicated its intent to begin increasing the target range for the federal funds rate in 2022. Generally, the Bank benefits from a rising rate environment given its interest rate risk profile; however rising interest rates may have an adverse impact on the ability of our borrowers with floating rate loans to repay their loans.

The Company's management continues to consider COVID-19 and future economic events and their impact on the Company's performance while focusing attention on managing NPAs, controlling costs, and working with borrowers to mitigate and protect against risk of loss. The Company's management also continues to review pricing of its products and services, in light of current and expected costs due to inflation, to mitigate the inflationary impact on financial performance.

SUPERVISION AND REGULATION

The Company and the Bank are extensively regulated under both federal and state laws. The following description briefly addresses certain historic and current provisions of federal and state laws and certain regulations, proposed regulations, and the potential impacts on the Company and the Bank. To the extent statutory or regulatory provisions or proposals are described in this Form 10-K, the description is qualified in its entirety by reference to the particular statutory or regulatory provisions or proposals.

The Company is subject to additional regulations, increased supervision and increased costs because the Company's assets exceed $10 billion. The Company has invested meaningful financial, human capital and other resources in regulatory compliance processes.

The Company

General. As a financial holding company and a bank holding company registered under the BHCA, the Company is subject to supervision, regulation, and examination by the Federal Reserve. The Company elected to be treated as a financial holding company by the Federal Reserve in September 2013. The Company is also registered under the bank holding company laws of Virginia and is subject to supervision, regulation, and examination by the SCC.

Enacted in 2010, the Dodd-Frank Act has significantly changed the financial regulatory regime in the United States. Since the enactment of the Dodd-Frank Act, U.S. banks and financial services firms, such as the Company and the Bank, have been subject to enhanced regulation and oversight. Several provisions of the Dodd-Frank Act remain subject to further rulemaking, guidance, and interpretation by the federal banking agencies.

Enacted in 2018, the EGRRCPA amended certain provisions of the Dodd-Frank Act as well as statutes administered by the Federal Reserve and the FDIC. Certain provisions of the Dodd-Frank Act and changes thereto resulting from the enactment of EGRRCPA that may affect the Company and the Bank are discussed below in more detail.

Permitted Activities. The permitted activities of a bank holding company are limited to managing or controlling banks, furnishing services to or performing services for its subsidiaries, and engaging in other activities that the Federal Reserve determines by regulation or order to be so closely related to banking or managing or controlling banks as to be a proper incident thereto. In addition, bank holding companies that qualify and elect to be financial holding companies, such as the Company, may engage in any activity, or acquire and retain the shares of a company engaged in any activity, that is either (i) financial in nature or incidental to such financial activity (as determined by the Federal Reserve in consultation with the Secretary of the Treasury) or (ii) complementary to a financial activity and does not pose a substantial risk to the safety and soundness of depository institutions or the financial system generally (as solely determined by the Federal Reserve), without prior approval of the Federal Reserve. Activities that are financial in nature include but are not limited to securities underwriting and dealing, insurance underwriting, and making merchant banking investments.

To maintain financial holding company status, a financial holding company and all of its depository institution subsidiaries must be "well capitalized" and "well managed." A depository institution subsidiary is considered to be "well capitalized" if it satisfies the requirements for this status under applicable Federal Reserve capital requirements. A depository institution subsidiary is considered "well managed" if it received a composite rating and management rating of at least "satisfactory" in its most recent examination. A financial holding company's status will also depend upon it maintaining its status as "well capitalized" and "well managed" under applicable Federal Reserve regulations. If a financial holding company ceases to meet these capital and management requirements, the Federal Reserve's regulations provide that the financial holding company must enter into an agreement with the Federal Reserve to comply with all applicable capital and management requirements. Until the financial holding company returns to compliance, the Federal Reserve may impose limitations or conditions on the conduct of its activities, and the company may not commence any of the broader financial activities permissible for financial holding companies or acquire a company engaged in such financial activities without prior approval of the Federal Reserve. If the company does not return to compliance within

180 days, the Federal Reserve may require the financial holding company to divest its depository institution subsidiaries or to cease engaging in any activity that is financial in nature (or incident to such financial activity) or complementary to a financial activity.

In order for a financial holding company to commence any new activity permitted by the BHCA or to acquire a company engaged in any new activity permitted by the BHCA, each insured depository institution subsidiary of the financial holding company must have received a rating of at least "satisfactory" in its most recent examination under the CRA. See below under "The Bank – Community Reinvestment Act."

Despite prior approval, the Federal Reserve may order a bank holding company or its subsidiaries to terminate any activity or to terminate ownership or control of any subsidiary when the Federal Reserve has reasonable cause to believe that a serious risk to the financial safety, soundness, or stability of any bank subsidiary of that bank holding company may result from such an activity.

Banking Acquisitions; Changes in Control. The BHCA and related regulations require, among other things, the prior approval of the Federal Reserve in any case where a bank holding company proposes to (i) acquire direct or indirect ownership or control of more than 5% of the outstanding voting stock of any bank or bank holding company (unless it already owns a majority of such voting shares), (ii) acquire all or substantially all of the assets of another bank or bank holding company, or (iii) merge or consolidate with any other bank holding company. In determining whether to approve a proposed bank acquisition, the Federal Reserve will consider, among other factors, the effect of the acquisition on competition, the public benefits expected to be received from the acquisition, any outstanding regulatory compliance issues of any institution that is a party to the transaction, the projected capital ratios and levels on a post-acquisition basis, the financial condition of each institution that is a party to the transaction and of the combined institution after the transaction, the parties' managerial resources and risk management and governance processes and systems, the parties' compliance with the Bank Secrecy Act and anti-money laundering requirements, and the acquiring institution's performance under the CRA and its compliance with fair housing and other consumer protection laws.

On July 9, 2021, President Biden issued an Executive Order on Promoting Competition in the American Economy, which, among other initiatives, encouraged the review of current practices and adoption of a plan for the revitalization of merger oversight under the BHCA and the Bank Merger Act. Making any formal changes to the framework for evaluating bank mergers would require an extended process, and any such changes are uncertain and cannot be predicted at this time. However, the adoption of more expansive or stringent standards may have an impact on the Company's acquisition activity. Additionally, this Executive Order could influence the federal bank regulatory agencies' expectations and supervisory oversight for banking acquisitions.

Subject to certain exceptions, the BHCA and the Change in Bank Control Act, together with the applicable regulations, require Federal Reserve approval (or, depending on the circumstances, no notice of disapproval) prior to any person or company's acquiring "control" of a bank or bank holding company. A conclusive presumption of control exists if an individual or company acquires the power, directly or indirectly, to direct the management or policies of an insured depository institution or to vote 25% or more of any class of voting securities of any insured depository institution. A rebuttable presumption of control may exist if a person or company acquires 10% or more but less than 25% of any class of voting securities and certain other relationships are present between the investor and the bank holding company, or if certain other ownership thresholds for voting or total equity have been exceeded.

In addition, Virginia law requires the prior approval of the SCC for (i) the acquisition by a Virginia bank holding company of more than 5% of the voting shares of a Virginia bank or a Virginia bank holding company, or (ii) the acquisition by any other person of control of a Virginia bank holding company or a Virginia bank.

Source of Strength. Federal Reserve policy has historically required bank holding companies to act as a source of financial and managerial strength to their subsidiary banks. The Dodd-Frank Act codified this policy as a statutory requirement. Under this requirement, the Company is expected to commit resources to support the Bank, including times when the Company may not be in a financial position to provide such resources. Any capital loans by a bank holding company to any of its subsidiary banks are subordinate in right of payment to depositors and to certain other indebtedness of such subsidiary banks. In the event of a bank holding company's bankruptcy, any commitment by the bank holding company to a federal bank regulatory agency to maintain the capital of a subsidiary bank will be assumed by the bankruptcy trustee and entitled to priority of payment.

Safety and Soundness. There are a number of obligations and restrictions imposed on bank holding companies and their subsidiary banks by law and regulatory policy that are designed to minimize potential loss to the depositors of such depository institutions and the DIF in the event of a depository institution insolvency, receivership, or default. For example, under the FDICIA, to avoid receivership of an insured depository institution subsidiary, a bank holding company is required to guarantee the compliance of any subsidiary bank that may become "undercapitalized" with the terms of any capital restoration plan filed by such subsidiary with its appropriate federal bank regulatory agency up to the lesser of (i) an amount equal to 5% of the institution's total assets at the time the institution became undercapitalized, or (ii) the amount that is necessary (or would have been necessary) to bring the institution into compliance with all applicable capital standards as of the time the institution fails to comply with such capital restoration plan.

Under the FDIA, the federal bank regulatory agencies have adopted guidelines prescribing safety and soundness standards. These guidelines establish general standards relating to capital management, internal controls and information systems, internal audit systems, information systems, data security, loan documentation, credit underwriting, interest rate exposure and risk management, vendor management, corporate governance, asset growth and compensation, fees, and benefits. In general, the guidelines require, among other things, appropriate systems and practices to identify and manage the risk and exposures specified in the guidelines.

Capital Requirements. The Federal Reserve imposes certain capital requirements on bank holding companies under the BHCA, including a minimum leverage ratio and a minimum ratio of "qualifying" capital to risk-weighted assets. These requirements are described below under "The Bank – Capital Requirements". Subject to its capital requirements and certain other restrictions, the Company is able to borrow money to make a capital contribution to the Bank, and such loans may be repaid from dividends paid by the Bank to the Company.

Limits on Dividends and Other Payments. The Company is a legal entity, separate and distinct from its subsidiaries. A significant portion of the revenues of the Company result from dividends paid to it by the Bank. There are various legal limitations applicable to the payment of dividends by the Bank to the Company and to the payment of dividends by the Company to its shareholders. The Bank is subject to various statutory and regulatory restrictions on its ability to pay dividends to the Company. Under current regulations, prior approval from the Federal Reserve is required if cash dividends declared by the Bank in any given year exceed net income for that year, plus retained net profits of the two preceding years. The payment of dividends by the Bank or the Company may be limited by other factors, such as requirements to maintain capital above regulatory guidelines. Bank regulatory agencies have the authority to prohibit the Bank or the Company from engaging in an unsafe or unsound practice in conducting its respective business. The payment of dividends, depending on the financial condition of the Bank, or the Company, could be deemed to constitute such an unsafe or unsound practice.

Under the FDIA, insured depository institutions such as the Bank, are prohibited from making capital distributions, including the payment of dividends, if, after making such distributions, the institution would become "undercapitalized" (as such term is used in the statute). Based on the Bank's current financial condition, the Company does not expect that this provision will have any impact on its ability to receive dividends from the Bank. The Company's non-bank subsidiaries pay dividends to the Company periodically, subject to certain statutory restrictions.

In addition to dividends it receives from the Bank, the Company receives management fees from its affiliated companies for expenses incurred related to corporate actions. The fees are eliminated from the financial statements in the consolidation process.

The Bank

General. The Bank is supervised and regularly examined by the Federal Reserve and the SCC. The various laws and regulations administered by the bank regulatory agencies affect corporate practices, such as the payment of dividends, incurrence of debt, and acquisition of financial institutions and other companies; they also affect business practices, such as the payment of interest on deposits, the charging of interest on loans, types of business conducted, and location of offices. Certain of these law and regulations are referenced above under "The Company."

Interchange Fees. Under the Durbin Amendment to the Dodd-Frank Act, the Federal Reserve adopted rules establishing standards for assessing whether the interchange fees that may be charged with respect to certain electronic debit transactions are "reasonable and proportional" to the costs incurred by issuers for processing such transactions.

Interchange fees, or “swipe” fees, are charges that merchants pay to the Bank and other card-issuing banks for processing electronic payment transactions. Under the final rules, which are applicable to financial institutions that have assets of $10.0 billion or more, the maximum permissible interchange fee is equal to the sum of 21 cents plus 5 bps of the transaction value for many types of debit interchange transactions. The rules permit an upward adjustment to an issuer’s debit card interchange fee of no more than one cent per transaction if the issuer develops and implements policies and procedures reasonably designed to achieve certain fraud-prevention standards. The Federal Reserve also has rules governing routing and exclusivity that require issuers to offer two unaffiliated networks for routing transactions on each debit or prepaid product.

Capital Requirements. The Federal Reserve and the other federal banking agencies have issued risk-based and leverage capital guidelines applicable to U.S. banking organizations. Those regulatory agencies may from time to time require that a banking organization maintain capital above the minimum levels because of its financial condition or actual or anticipated growth.

The Federal Reserve has adopted capital requirements and calculations of risk-weighted assets to implement the Basel III regulatory capital reforms from the Basel Committee on Banking Supervision and certain provisions of the Dodd-Frank Act.

Under these risk-based capital requirements of the Federal Reserve, the Company and the Bank are required to maintain (i) a minimum ratio of total capital (which is defined as core capital and supplementary capital less certain specified deductions from total capital such as reciprocal holdings of depository institution capital instruments and equity investments) to risk-weighted assets of at least 8.0%, (ii) a minimum ratio of Tier 1 capital (which consists principally of common and certain qualifying preferred shareholders’ equity (including grandfathered trust preferred securities) as well as retained earnings, less certain intangibles and other adjustments) to risk-weighted assets of at least 6.0%, and (iii) a minimum ratio of common equity Tier 1 capital to risk-weighted assets of at least 4.5%. These capital requirements provide that “Tier 2 capital” consists of cumulative preferred stock, long-term perpetual preferred stock, a limited amount of subordinated and other qualifying debt (including certain hybrid capital instruments), and a limited amount of the general loan loss allowance.

The Federal Reserve’s capital requirements also impose a capital conservation buffer requirement of 2.5% of risk-weighted assets. The capital conservation buffer is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of common equity Tier 1 to risk-weighted assets above the minimum but below the conservation buffer will face constraints on dividends, equity repurchases, and compensation based on the amount of the shortfall.

The combined effect of the risk-based capital requirements and the additional 2.5% capital conservation buffer is that the Company and the Bank must maintain (i) a minimum ratio of total capital to risk-weighted assets of at least 10.5%, (ii) a minimum ratio of Tier 1 capital to risk-weighted assets of 8.5%, and (iii) a minimum ratio of common equity Tier 1 capital to risk-weighted assets of 7.0%.

The Tier 1, common equity Tier 1, and total capital to risk-weighted asset ratios of the Company were 11.33%, 10.24%, and 14.18%, respectively, as of December 31, 2021, thus exceeding the minimum requirements for "well capitalized" status. The Tier 1, common equity Tier 1, and total capital to risk-weighted asset ratios of the Bank were 13.03%, 13.03%, and 13.38%, respectively, as of December 31, 2021, also exceeding the minimum requirements for "well capitalized" status.

Each of the federal bank regulatory agencies also has established a minimum leverage capital ratio of Tier 1 capital to average adjusted assets (“Tier 1 leverage ratio”). The guidelines require a minimum Tier 1 leverage ratio of 3.0% for advanced approach banking organizations; all other banking organizations are required to maintain a minimum Tier 1 leverage ratio of 4.0%. In addition, for a depository institution to be considered “well capitalized” under the regulatory framework for PCA, its Tier 1 leverage ratio must be at least 5.0%. Banking organizations that have experienced internal growth or made acquisitions are expected to maintain strong capital positions substantially above the minimum supervisory levels without significant reliance on intangible assets. The Federal Reserve has not advised the Company or the Bank of any specific minimum leverage ratio applicable to either entity. As of December 31, 2021, the Tier 1 leverage ratios of the Company and the Bank were 9.01% and 10.37%, respectively, well above the minimum requirements.

The Federal Reserve's final rules also included changes in the risk weights of assets to better reflect credit risk and other risk exposures. These include a 150% risk weight (up from 100%) for certain high volatility commercial real estate acquisition, development, and construction loans and nonresidential mortgage loans that are 90 days past due or otherwise on nonaccrual status, a 20% (up from 0%) credit conversion factor for the unused portion of a commitment with an original maturity of one year or less that is not unconditionally cancellable, a 250% risk weight (up from 100%) for mortgage servicing rights and deferred tax assets that are not deducted from capital, and increased risk-weights (from 0% to up to 600%) for equity exposures.

The Federal Reserve's regulatory capital rules also provide that in some circumstances trust preferred securities may not be considered Tier 1 capital of a bank holding company with total consolidated assets of greater than $15 billion, and instead will qualify as Tier 2 capital. The Company has $155.2 million of trust preferred securities outstanding and approximately $20.1 billion in assets as of December 31, 2021.

On August 26, 2020, the federal bank regulatory agencies adopted a final rule that allows the Company to phase in the impact of adopting the CECL methodology up to two years, with a three-year transition period to phase out the cumulative benefit to regulatory capital provided during the two-year delay. This final rule is substantially similar to the interim final rule issued in March 2020 by the federal bank regulatory agencies. Refer to Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" section "Capital Resources" of this Form 10-K for information regarding the impact of this final rule on the Company's regulatory capital.

Deposit Insurance. The deposits of the Bank are insured up to applicable limits by the DIF of the FDIC and are subject to deposit insurance assessments based on average total assets minus average tangible equity to maintain the DIF. The basic limit on FDIC deposit insurance coverage is $250,000 per depositor. Under the FDIA, the FDIC may terminate deposit insurance upon a finding that the institution has engaged in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations as an insured depository institution, or has violated any applicable law, regulation, rule, order or condition imposed by the FDIC, subject to administrative and potential judicial hearing and review processes.

As required by the Dodd-Frank Act, the FDIC has adopted a large-bank pricing assessment structure, set a target "designated reserve ratio" of 2 percent for the DIF, in lieu of dividends, provides for a lower assessment rate schedule, when the reserve ratio reaches 2 percent and 2.5 percent. An institution's assessment rate is based on a statistical analysis of financial ratios that estimates the likelihood of failure over a three-year period, which considers the institution's weighted average CAMELS component rating, and is subject to further adjustments including related to levels of unsecured debt and brokered deposits (not applicable to banks with less than $10 billion in assets). At December 31, 2021, total base assessment rates for institutions that have been insured for at least five years with assets of $10 billion range from 1.5 to 40 bps. In addition, institutions with assets over $10 billion are subject to a surcharge equal to 4.5 bps of assets that exceed $10 billion, which is required to be applied until the reserve ratio reaches 1.35 percent. Although the DIF declined below the minimum level of 1.35 percent during 2020 due to the impact of significant deposit increases which led the FDIC to adopt a DIF restoration plan, and the DIF was 1.27 percent at September 30, 2021, the FDIC has not increased base assessment rates.

For the years ended December 31, 2021, 2020, and 2019, the Company paid $7.8 million, $8.4 million, and $5.4 million, respectively, in deposit insurance assessments.

Transactions with Affiliates. Pursuant to Sections 23A and 23B of the Federal Reserve Act and Regulation W, the authority of the Bank to engage in transactions with related parties or "affiliates," or to make loans to insiders, is limited. Loan transactions with an affiliate generally must be collateralized and certain transactions between the Bank and its affiliates, including the sale of assets, the payment of money or the provision of services, must be on terms and conditions that are substantially the same, or at least as favorable to the Bank, as those prevailing for comparable nonaffiliated transactions. In addition, the Bank generally may not purchase securities issued or underwritten by affiliates.

Loans to executive officers, directors, or to any person who directly or indirectly, or acting through or in concert with one or more persons, owns, controls, or has the power to vote more than 10% of any class of voting securities of a bank ("10% Shareholders"), are subject to Sections 22(g) and 22(h) of the Federal Reserve Act and their corresponding regulations (Regulation O) and Section 13(k) of the Exchange Act relating to the prohibition on personal loans to executives (which exempts financial institutions in compliance with the insider lending restrictions of Section 22(h) of

the Federal Reserve Act). Among other things, these loans must be made on terms substantially the same as those prevailing on transactions made to unaffiliated individuals and certain extensions of credit to those persons must first be approved in advance by a disinterested majority of the entire Board of Directors. Section 22(h) of the Federal Reserve Act prohibits loans to any of those individuals where the aggregate amount exceeds an amount equal to 15% of an institution's unimpaired capital and surplus plus an additional 10% of unimpaired capital and surplus in the case of loans that are fully secured by readily marketable collateral, or when the aggregate amount on all of the extensions of credit outstanding to all of these persons would exceed the Bank's unimpaired capital and unimpaired surplus. Section 22(g) of the Federal Reserve Act identifies limited circumstances in which the Bank is permitted to extend credit to executive officers.

Prompt Corrective Action. Federal banking regulators are authorized and, under certain circumstances, required to take certain actions against banks that fail to meet their capital requirements. The federal bank regulatory agencies have additional enforcement authority with respect to undercapitalized depository institutions. "Well capitalized" institutions may generally operate without additional supervisory restriction. With respect to "adequately capitalized" institutions, such banks cannot normally pay dividends or make any capital contributions that would leave it undercapitalized, they cannot pay a management fee to a controlling person if, after paying the fee, it would be undercapitalized, and they cannot accept, renew, or roll over any brokered deposit unless the bank has applied for and been granted a waiver by the FDIC.

Immediately upon becoming "undercapitalized," a depository institution becomes subject to the provisions of Section 38 of the FDIA, which: (i) restrict payment of capital distributions and management fees; (ii) require that the appropriate federal banking agency monitor the condition of the institution and its efforts to restore its capital; (iii) require submission of a capital restoration plan; (iv) restrict the growth of the institution's assets; and (v) require prior approval of certain expansion proposals. The appropriate federal banking agency for an undercapitalized institution also may take any number of discretionary supervisory actions if the agency determines that any of these actions is necessary to resolve the problems of the institution at the least possible long-term cost to the DIF, subject in certain cases to specified procedures. These discretionary supervisory actions include: (i) requiring the institution to raise additional capital; (ii) restricting transactions with affiliates; (iii) requiring divestiture of the institution or the sale of the institution to a willing purchaser; and (iv) any other supervisory action that the agency deems appropriate. These and additional mandatory and permissive supervisory actions may be taken with respect to significantly undercapitalized and critically undercapitalized institutions. The Bank met the definition of being "well capitalized" as of December 31, 2021.

The "prompt corrective action" regulations pursuant to Section 38 of the FDIA require for well-capitalized status a minimum Tier 1 leverage ratio of 5.0%, a minimum common equity Tier 1 capital ratio of 6.5%, a minimum Tier 1 capital ratio of 8.0%, and a minimum total capital ratio of 10.0%.

Community Reinvestment Act. The Bank is subject to the requirements of the CRA. The CRA imposes on financial institutions an affirmative and ongoing obligation to meet the credit needs of the local communities, including low and moderate income neighborhoods. If the Bank receives a rating from the Federal Reserve of less than "satisfactory" under the CRA, restrictions on operating activities would be imposed. In addition, in order for a financial holding company, like the Company, to commence any new activity permitted by the BHCA, or to acquire any company engaged in any new activity permitted by the BHCA, each insured depository institution subsidiary of the financial holding company must have received a rating of at least "satisfactory" in its most recent examination under the CRA. The Bank received a "satisfactory" CRA rating in its most recent examination.

FHLB. The Bank is a member of the FHLB of Atlanta, which is one of 12 regional Federal Home Loan Banks that provide funding to their members for making housing loans as well as for affordable housing and community development loans. Each Federal Home Loan Bank serves as a reserve, or central bank, for the members within its assigned region, and makes loans to its members in accordance with policies and procedures established by the Board of Directors of the applicable Federal Home Loan Bank. As a member, the Bank must purchase and maintain stock in the FHLB.

Confidentiality of Customer Information. The Company and the Bank are subject to various laws and regulations that address the privacy of nonpublic personal financial information of customers. A financial institution must provide to its customers information regarding its policies and procedures with respect to the handling of customers' personal information. Each institution must conduct an internal risk assessment of its ability to protect customer information.

These privacy laws and regulations generally prohibit a financial institution from providing a customer's personal financial information to unaffiliated parties without prior notice and approval from the customer.

The CFPB published its final rule to update Regulation P pursuant to the amended Gramm-Leach-Bliley Act in 2018. Under this rule, certain qualifying financial institutions are not required to provide annual privacy notices to customers. To qualify, a financial institution must not share nonpublic personal information about customers except as described in certain statutory exceptions which do not trigger a customer's statutory opt-out right. In addition, the financial institution must not have changed its disclosure policies and practices from those disclosed in its most recent privacy notice. The rule sets forth timing requirements for delivery of annual privacy notices in the event that a financial institution that qualified for the annual notice exemption later changes its policies or practices in such a way that it no longer qualifies for the exemption.

Although these laws and regulations impose compliance costs and create privacy obligations and, in some cases, reporting obligations, and compliance with all of the laws, regulations, and privacy and reporting obligations may require significant resources of the Company and the Bank, these laws and regulations do not materially affect the Bank's products, services or other business activities.

Data privacy and data protection are areas of increasing state legislative focus. In March 2021, the Governor of Virginia signed into law the Virginia Consumer Data Protection Act (the "VCDPA"), which goes into effect on January 1, 2023. The VCDPA grants Virginia residents the right to access, correct, delete, know, and opt-out of the sale and processing for targeted advertising purposes of their personal information, similar to the protections provided by similar consumer data privacy laws in California and in Europe. The VCDPA also imposes data protection assessment requirements and authorizes the Attorney General of Virginia to enforce the VCDPA, but does not provide a private right of action for consumers. The Company and the Bank cannot yet predict how the implementation of the VCDPA will impact the Bank's products, services or other business activities. The Company continues to monitor legislative, regulatory and supervisory developments related thereto.

Required Disclosure of Customer Information. The Company and the Bank are also subject to various laws and regulations that attempt to combat money laundering and terrorist financing. The Bank Secrecy Act requires all financial institutions to, among other things, create a system of controls designed to prevent money laundering and the financing of terrorism, and imposes recordkeeping and reporting requirements. The USA Patriot Act added additional regulations to facilitate information sharing among governmental entities and financial institutions for the purpose of combating terrorism and money laundering, imposes standards for verifying customer identification at account opening, and requires financial institutions to establish anti-money laundering programs. Regulations adopted under the Bank Secrecy Act impose on financial institutions customer due diligence requirements, and the federal banking regulators expect that customer due diligence programs will be integrated within a financial institution's broader Bank Secrecy Act and anti-money laundering compliance program. The OFAC, which is a division of the Treasury, is responsible for helping to ensure that United States entities do not engage in transactions with "enemies" of the United States, as defined by various Executive Orders and Acts of Congress. If the Bank finds a name of an "enemy" of the United States on any transaction, account, or wire transfer that is on an OFAC list, it must freeze such account or place transferred funds into a blocked account, and report it to OFAC.

In December 2020, the U.S. Congress enacted the National Defense Authorization Act (the "NDAA") for fiscal year 2021. Among its many provisions, the NDAA includes the Anti-Money Laundering Act of 2020 (the "AMLA") and the related Corporate Transparency Act of 2019 (the "CTA"). The CTA is a significant update to federal Bank Secrecy Act/Anti-money Laundering ("BSA/AML") regulations. The CTA aims to eliminate the use of shell companies that facilitate the laundering of criminal proceeds and, for that purpose, directs FinCEN to establish and maintain a national registry of beneficial ownership information for corporate entities. Specifically, corporations and limited liability companies (subject to certain exceptions) must disclose to FinCEN their beneficial owners – defined as an individual who, directly or indirectly, exercises substantial control over the entity or owns or controls not less than 25% of the ownership interests of the entity. Beneficial ownership must be disclosed at the time of company formation and upon a change in ownership. The national registry will be confidential; the CTA contains criminal penalties for non-compliance as well as for unauthorized disclosure of reported information.

In December 2021, FinCEN proposed the first of three sets of rules that it will issue to implement the beneficial ownership reporting requirements of the CTA, with subsequent rulemakings expected (i) to implement the CTA's protocols for access to and disclosure of beneficial ownership information, and (ii) to revise the existing customer due

diligence requirements that apply to the Corporation, the Bank and many other financial institutions, to ensure consistency between these requirements and the beneficial ownership reporting rules.

The CTA's disclosure requirements are similar to the current FinCEN-promulgated Customer Due Diligence ("CDD") Rule and related regulations applicable to the entity customers of banks. At this time, the Bank cannot predict how implementation of the new CTA requirements will affect the provisions of the CDD Rule or the Bank's compliance with the CDD Rule and related BSA/AML regulations. The Bank continues to monitor legislative, regulatory, and supervisory developments related thereto.

Volcker Rule. The Dodd-Frank Act prohibits insured depository institutions and their holding companies from engaging in proprietary trading except in limited circumstances and prohibits them from owning equity interests in excess of 3% of Tier 1 capital in private equity and hedge funds (known as the "Volcker Rule"). On December 10, 2013, the federal bank regulatory agencies adopted final rules implementing the Volcker Rule. These final rules prohibit banking entities from (i) engaging in short-term proprietary trading for their own accounts, and (ii) having certain ownership interests in and relationships with hedge funds or private equity funds. The final rules are intended to provide greater clarity with respect to both the extent of those primary prohibitions and of the related exemptions and exclusions. The final rules also require each regulated entity to establish an internal compliance program that is consistent with the extent to which it engages in activities covered by the Volcker Rule, which must include (for the largest entities) making regular reports about those activities to regulators. Although the final rules provide some tiering of compliance and reporting obligations based on size, the fundamental prohibitions of the Volcker Rule apply to the Company and the Bank. The EGRRCPA and subsequent promulgation of inter-agency final rules have aimed at simplifying and tailoring requirements related to the Volcker Rule. In August 2019, the FDIC modified the rule to, among other things, eliminate the collection of certain metrics and reduce the compliance burdens associated with the remaining metrics requirements, depending on the banking entity's total consolidated trading assets and liabilities. In October 2019, the Federal Reserve and the SEC approved the Volcker Rule changes. Due to the changing regulatory landscape, the Company will continue to evaluate the implications of the Volcker Rules on its investments, including new impacts as a result of the changes, but does not expect any material financial implications.

Consumer Financial Protection. The Bank is subject to a number of federal and state consumer protection laws that extensively govern its relationship with its customers. These laws include the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Truth in Lending Act, the Truth in Savings Act, the Electronic Fund Transfer Act, the Home Mortgage Disclosure Act, the Fair Housing Act, the Real Estate Settlement Procedures Act, the Fair Debt Collection Practices Act, the Service Members Civil Relief Act, laws governing flood insurance, federal and state laws prohibiting unfair and deceptive business practices, foreclosure laws, and various regulations that implement some or all of the foregoing. These laws and regulations mandate certain disclosure requirements and regulate the manner in which financial institutions must deal with customers when taking deposits, making loans, collecting loans, and providing other services. If the Bank fails to comply with these laws and regulations, it may be subject to various penalties or enforcement actions. Failure to comply with consumer protection requirements may also result in failure to obtain any required bank regulatory approval for merger or acquisition transactions the Bank may wish to pursue or being prohibited from engaging in such transactions even if approval is not required.

The Dodd-Frank Act centralized responsibility for consumer financial protection by creating a new agency, the CFPB, and giving it responsibility for implementing, examining, and enforcing compliance with federal consumer protection laws. The CFPB focuses on (i) risks to consumers and compliance with the federal consumer financial laws, (ii) the markets in which firms operate and risks to consumers posed by activities in those markets, (iii) depository institutions that offer a wide variety of consumer financial products and services, and (iv) non-depository companies that offer one or more consumer financial products or services. The CFPB is responsible for implementing, examining and enforcing compliance with federal consumer financial laws for institutions with more than $10 billion of assets. The Company and the Bank are subject to federal consumer protection rules enacted by the CFPB.

The CFPB has broad rulemaking authority for a wide range of consumer financial laws that apply to all banks, including, among other things, the authority to prohibit "unfair, deceptive, or abusive" acts and practices. Abusive acts or practices are defined as those that materially interfere with a consumer's ability to understand a term or condition of a consumer financial product or service or take unreasonable advantage of a consumer's (i) lack of financial savvy, (ii) inability to protect himself in the selection or use of consumer financial products or services, or (iii) reasonable reliance on a covered entity to act in the consumer's interests. The CFPB can issue cease-and-desist orders against banks and other entities that violate consumer financial laws. The CFPB may also institute a civil action against an entity in violation of

federal consumer financial law in order to impose a civil penalty or injunction. Further, regulatory positions taken by the CFPB may influence how other regulatory agencies apply the subject consumer financial protection laws and regulations.

Mortgage Banking Regulation. In connection with making mortgage loans, the Company and the Bank are subject to rules and regulations that, among other things, establish standards for loan origination, prohibit discrimination, provide for inspections and appraisals of property, require credit reports on prospective borrowers, in some cases restrict certain loan features and fix maximum interest rates and fees, require the disclosure of certain basic information to mortgagors concerning credit and settlement costs, limit payment for settlement services to the reasonable value of the services rendered and require the maintenance and disclosure of information regarding the disposition of mortgage applications based on race, gender, geographical distribution and income level. The Company and the Bank are also subject to rules and regulations that require the collection and reporting of significant amounts of information with respect to mortgage loans and borrowers.

The Company's and the Bank's mortgage origination activities are subject to Regulation Z, which implements the Truth in Lending Act. Certain provisions of Regulation Z require creditors to make a reasonable and good faith determination based on verified and documented information that a consumer applying for a mortgage loan has a reasonable ability to repay the loan according to its terms. Creditors are required to determine consumers' ability to repay in one of two ways. The first alternative requires the creditor to consider the following eight underwriting factors when making the credit decision: (i) current or reasonably expected income or assets; (ii) current employment status; (iii) the monthly payment on the covered transaction; (iv) the monthly payment on any simultaneous loan; (v) the monthly payment for mortgage-related obligations; (vi) current debt obligations, alimony, and child support; (vii) the monthly debt-to-income ratio or residual income; and (viii) credit history. Alternatively, the creditor can originate "qualified mortgages," which are entitled to a presumption that the creditor making the loan satisfied the ability-to-repay requirements. In general, a "qualified mortgage" is a mortgage loan without negative amortization, interest-only payments, balloon payments, or terms exceeding 30 years. In addition, to be a qualified mortgage, the points and fees paid by a consumer cannot exceed 3% of the total loan amount.

Qualified mortgages that are "higher-priced" (e.g., subprime loans) garner a rebuttable presumption of compliance with the ability-to-repay rules, while qualified mortgages that are not "higher-priced" (e.g., prime loans) are given a safe harbor of compliance. To meet the mortgage credit needs of a broader customer base, the Company is predominantly an originator of mortgages that are intended to be in compliance with the ability-to-pay requirements. On November 15, 2019, the CFPB issued an interpretive rule providing that loan originators with temporary authority may act as a loan originator for a temporary period of time, as specified in the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, in a state while that state considers their application for a loan originator license, if they meet certain screening and training requirements. The rule was effective November 24, 2019.

Brokered Deposits. Section 29 of the FDIA and FDIC regulations generally limit the ability of any bank to accept, renew or roll over any brokered deposit unless it is "well capitalized" or, with the FDIC's approval, "adequately capitalized." However, as a result of EGRRCPA, the FDIC undertook a comprehensive review of its regulatory approach to brokered deposits, including reciprocal deposits, and interest rate caps applicable to banks that are less than "well capitalized." On December 15, 2020, the FDIC issued final rules that amend the FDIC's methodology for calculating interest rate caps, provide a new process for banks that seek FDIC approval to offer a competitive rate on deposits when the prevailing rate in the bank's local market exceeds the national rate cap, and provides specific exemptions and streamlined application and notice procedures for certain deposit-placement arrangements that are not subject to brokered deposit restrictions. These final rules were effective on April 1, 2021, and full compliance is required by January 1, 2022.

Cybersecurity. The federal bank regulatory agencies have adopted guidelines for establishing information security standards and cybersecurity programs for implementing safeguards under the supervision of a financial institution's board of directors. These guidelines, along with related regulatory materials, increasingly focus on risk management and processes related to information technology and the use of third parties in the provision of financial products and services. The federal bank regulatory agencies expect financial institutions to establish lines of defense and to ensure that their risk management processes address the risk posed by compromised customer credentials, and also expect financial institutions to maintain sufficient business continuity planning processes to ensure rapid recovery, resumption and maintenance of the institution's operations after a cyberattack. If the Company or the Bank fails to meet the expectations

set forth in this regulatory guidance, the Company or the Bank could be subject to various regulatory actions and any remediation efforts may require significant resources of the Company or the Bank.

In October 2016, the federal bank regulatory agencies issued proposed rules on enhanced cybersecurity risk-management and resilience standards that would apply to very large financial institutions and to services provided by third parties to these institutions. The comment period for these proposed rules has closed, and a final rule has not been published. Although the proposed rules would apply only to bank holding companies and banks with $50 billion or more in total consolidated assets, these rules could influence the federal bank regulatory agencies' expectations and supervisory requirements for information security standards and cybersecurity programs of financial institutions with less than $50 billion in total consolidated assets.

On November 18, 2021, the federal bank regulatory agencies issued a final rule to improve the sharing of information about cyber incidents that may affect the U.S. banking system. The rule requires a banking organization to notify its primary federal regulator of any significant computer-security incident as soon as possible and no later than 36 hours after the banking organization determines that a cyber incident has occurred. Notification is required for incidents that have materially affected—or are reasonably likely to materially affect—the viability of a banking organization's operations, its ability to deliver banking products and services, or the stability of the financial sector. In addition, the rule requires a bank service provider to notify affected banking organization customers as soon as possible when the provider determines that it has experienced a computer-security incident that has materially affected or is reasonably likely to materially affect banking organization customers for four or more hours. Compliance with the final rule is required by May 1, 2022. The Corporation and the Bank are currently assessing the impact of this rule, but do not anticipate any material impact to their respective operations at this time. With increased focus on cybersecurity, the Company and the Bank continue to monitor legislative, regulatory and supervisory developments related thereto.

Incentive Compensation. In 2010, the federal bank regulatory agencies issued comprehensive final guidance on incentive compensation policies intended to ensure that the incentive compensation policies of financial institutions do not undermine the safety and soundness of such institutions by encouraging excessive risk-taking. The *Interagency Guidance on Sound Incentive Compensation Policies*, which covers all employees that have the ability to materially affect the risk profile of financial institutions, either individually or as part of a group, is based upon the key principles that a financial institution's incentive compensation arrangements should: (i) provide incentives that do not encourage risk-taking beyond the institution's ability to effectively identify and manage risks; (ii) be compatible with effective internal controls and risk management; and (iii) be supported by strong corporate governance, including active and effective oversight by the financial institution's Board of Directors.

The Federal Reserve will review, as part of the regular, risk-focused examination process, the incentive compensation arrangements of financial institutions, such as the Company and the Bank, that are not "large, complex banking organizations." These reviews will be tailored to each financial institution based on the scope and complexity of the institution's activities and the prevalence of incentive compensation arrangements. The findings of the supervisory initiatives will be included in reports of examination. Deficiencies will be incorporated into the institution's supervisory ratings, which can affect the institution's ability to make acquisitions and take other actions. Enforcement actions may be taken against a financial institution if its incentive compensation arrangements, or related risk-management control or governance processes, pose a risk to the institution's safety and soundness and the financial institution is not taking prompt and effective measures to correct the deficiencies.

In 2016, the SEC and the federal banking agencies proposed rules that prohibit covered financial institutions (including bank holding companies and banks) from establishing or maintaining incentive-based compensation arrangements that encourage inappropriate risk taking by providing covered persons (consisting of senior executive officers and significant risk takers, as defined in the rules) with excessive compensation, fees, or benefits that could lead to material financial loss to the financial institution. The proposed rules outline factors to be considered when analyzing whether compensation is excessive and whether an incentive-based compensation arrangement encourages inappropriate risks that could lead to material loss to the covered financial institution, and establishes minimum requirements that incentive-based compensation arrangements must meet to be considered to not encourage inappropriate risks and to appropriately balance risk and reward. The proposed rules also impose additional corporate governance requirements on the boards of directors of covered financial institutions and impose additional record-keeping requirements. The comment period for these proposed rules has closed, and a final rule has not yet been published. However, in 2021 the SEC signaled a renewed interest in these matters by re-opening the comment period on a proposed rule regarding clawbacks of incentive-based executive compensation, which was originally proposed in 2015.

Heightened Requirements for Bank Holding Companies with $10 Billion or More in Assets

Various federal banking laws and regulations, including rules adopted by the Federal Reserve pursuant to the requirements of the Dodd-Frank Act, impose heightened requirements on certain large banks and bank holding companies. Most of these rules apply primarily to bank holding companies with at least $50 billion in total consolidated assets, but certain rules also apply to banks and bank holding companies with at least $10 billion in total consolidated assets including the Company and the Bank.

EGRRCPA. As a result of the Dodd-Frank Act, institutions with assets that exceed $10 billion, were required among other things to: perform annual stress tests and establish a dedicated risk committee of the board of directors responsible for overseeing enterprise-wide risk management policies, which must be commensurate with capital structure, risk profile, complexity, activities, size, and other appropriate risk-related factors, and must include as a member at least one risk management expert. In addition, such institutions (i) may be examined for compliance with federal consumer protection laws primarily by the CFPB; (ii) are subject to increased FDIC deposit insurance assessment requirements; (iii) are subject to a cap on debit card interchange fees; and (iv) may be subject to higher regulatory capital requirements.

However, the amendments to the Dodd-Frank Act made by EGRRCPA provide limited regulatory relief for certain financial institutions and additional tailoring of banking and consumer protection laws, which preserve the existing framework under which U.S. financial institutions are regulated, including the discretionary authority of the Federal Reserve and the FDIC to supervise bank holding companies and insured depository institutions, such as the Company and the Bank.

In particular, following the enactment of EGRRCPA, bank holding companies with less than $100 billion in assets, such as the Company, are exempt from the enhanced prudential standards imposed under Section 165 of the Dodd-Frank Act (including but not limited to resolution planning and enhanced liquidity and risk management requirements). Nonetheless, the capital planning and risk management practices of the Company and the Bank will continue to be reviewed through the regular supervisory processes of the Federal Reserve.

Furthermore, EGRRCPA increased the asset threshold for requiring a bank holding company to establish a separate risk committee of independent directors from $10 billion to $50 billion. Notwithstanding the changes implemented by EGRRCPA increasing this asset threshold, the Company has retained its separate risk committee of independent directors.

In addition to amendments and changes to the Dodd-Frank Act set forth in the interagency statement regarding the impact of EGRRCPA released by the federal banking agencies on July 6, 2018, EGRRCPA includes certain other banking-related, consumer protection, and securities laws-related provisions. Many of EGRRCPA's changes must be implemented through rules adopted by federal agencies, and certain changes remain subject to their substantial regulatory discretion. As a result, the full impact of EGRRCPA will remain unclear for some time. The Company and the Bank expect to continue to evaluate the potential impact of EGRRCPA as it is further implemented by the regulators.

Future Regulation

From time to time, various legislative and regulatory initiatives are introduced in Congress and state legislatures, as well as by regulatory agencies. Such initiatives may include proposals to expand or contract the powers of bank holding companies and depository institutions or proposals to substantially change the financial institution regulatory system. Such legislation could change banking statutes and the operating environment of the Company and the Bank in substantial and unpredictable ways. If enacted, such legislation could increase or decrease the cost of doing business, limit or expand permissible activities, or affect the competitive balance among banks, savings associations, credit unions, and other financial institutions. The Company cannot predict whether any such legislation will be enacted, and, if enacted, the effect that it, or any implementing regulations, would have on the financial condition or results of operations of the Company or the Bank.

Effect of Governmental Monetary Policies

The Company's operations are affected not only by general economic conditions but also by the policies of various regulatory authorities. In particular, the Federal Reserve uses monetary policy tools to impact money market and credit market conditions and interest rates to influence general economic conditions. These policies have a significant impact

on overall growth and distribution of loans, investments, and deposits; they affect market interest rates charged on loans or paid for time and savings deposits, and can significantly influence employment and inflation rates. Federal Reserve monetary policies have had a significant effect on the operating results of commercial banks, including the Company, in the past and are expected to do so in the future.

Filings with the SEC

The Company files annual, quarterly, and other reports under the Exchange Act with the SEC. These reports and this Form 10-K are posted and available at no cost on the Company's investor relations website, *http://investors.atlanticunionbank.com*, as soon as reasonably practicable after the Company files such documents with the SEC. The information contained on the Company's website is not a part of this Form 10-K or of any other filing with the SEC. The Company's filings are also available through the SEC's website at *http://www.sec.gov*.

ITEM 1A. - RISK FACTORS

An investment in the Company's securities involves risks and uncertainties. In addition to the other information set forth in this Form 10-K, including the information addressed under "Forward-Looking Statements," investors in the Company's securities should carefully consider the factors discussed below. These factors could materially and adversely affect the Company's business, financial condition, liquidity, results of operations, and capital position and could cause the Company's actual results to differ materially from its historical results or the results contemplated by the forward-looking statements contained in this Form 10-K, in which case the trading price of the Company's securities could decline. The risk factors discussed below highlight the risks that the Company believes are material to the Company, but do not necessarily include all risks that the Company may face, and an investor in the Company's securities should not interpret the disclosure of a risk in the following risk factors to state or imply that the risk has not already materialized. In addition, the Risk Factor Summary that follows should be read in conjunction with the detailed description of risk factors below.

Risk Factor Summary

These risks and uncertainties include:

Risks Related to COVID-19

- COVID-19 and resulting adverse economic conditions have already adversely impacted the Company's business and results, and could adversely impact its business, financial condition, and results of operations.

Risks Related to the Company's Lending Activities

- The Company's ACL may prove to be insufficient to absorb credit losses in its loan portfolio.
- The Bank's concentration in loans secured by real estate may adversely affect earnings due to changes in the real estate markets, as well as the higher risk of default associated with this type of collateral.
- The Bank's loan portfolio contains construction and development loans, and a decline in real estate values or economic conditions could adversely affect the value of the collateral securing the loans and have an adverse effect on the Bank's financial condition.
- The Bank's commercial and industrial loans have contributed significantly to the Bank's loan growth. A weakening of economic conditions could adversely affect the collectability of the loans and underlying collateral.
- Loans that the Bank has made through federal programs are dependent on the federal government's continuation and support of these programs and on the Bank's compliance with program requirements.
- The Bank relies upon independent appraisals to determine the value of the real estate which secures a significant portion of its loans, and the values indicated by such appraisals may not be realizable if the Bank is forced to foreclose upon such loans.
- The Company's credit standards and its on-going credit assessment processes might not protect it from significant credit losses.
- The Company's focus on lending to small to mid-sized community-based businesses may increase its credit risk.
- NPAs take significant time to resolve and may adversely affect the Company's results of operations and financial condition.

- The Company's mortgage revenue is cyclical and is sensitive to the level of interest rates, changes in economic conditions, decreased economic activity, and slowdowns in the housing market, any of which could adversely impact the Company's profits.

Risks Related to Market Interest Rates

- Changes in interest rates could adversely affect the Company's income and cash flows.
- The phasing out and ultimate replacement of LIBOR with an alternative reference rate and changes in the manner of calculating other reference rates may adversely impact the value of loans and other financial instruments the Company holds that are linked to LIBOR or other reference rates in ways that are difficult to predict and could adversely impact the Company's financial condition and results of operations.

Risks Related to the Company's Business, Industry and Markets

- The Company's business may be adversely affected by conditions in the financial markets and economic conditions generally.
- Adverse changes in economic conditions in Virginia, Maryland, or North Carolina or adverse conditions in an industry on which a local market in which the Company does business relies could negatively impact the Company's business in a material way.
- The Company faces substantial competition that could adversely affect the Company's growth and/or operating results.
- The Company's consumers may increasingly decide not to use the Bank to complete their financial transactions, which would have a material adverse impact on the Company's financial condition and operations.

Risks Related to the Company's Operations

- The Company's operations may be adversely affected by cyber security risks and cyber-attacks.
- The inability of the Company to successfully manage its growth or to implement its growth strategy may adversely affect the Company's results of operations and financial conditions.
- Difficulties in combining the operations of acquired entities with the Company's own operations may prevent the Company from achieving the expected benefits from acquisitions.
- The carrying value of goodwill and other intangible assets may be adversely affected.
- The Company's risk-management framework may not be effective in mitigating risk and loss.
- The Company's exposure to operational, technological, and organizational risk may adversely affect the Company.
- The Company continually encounters technological change which could affect its ability to remain competitive.
- The operational functions of business counterparties over which the Company may have limited or no control may experience disruptions that could adversely impact the Company.
- The Company and the Bank rely on other companies to provide key components of their business infrastructure.
- The Company depends on the accuracy and completeness of information about clients and counterparties, and its financial condition could be adversely affected if it relies on misleading information.
- The Company's dependency on its management team and the unexpected loss of any of those personnel could adversely affect operations.
- The Company may not be able to generate sufficient taxable income to fully realize its deferred tax assets.

Risks Related to the Company's Regulatory Environment

- The Company is subject to additional regulation, increased supervision and increased costs compared to some financial institutions because the Company's assets exceed $10 billion.
- Current and proposed regulation addressing consumer privacy and data use and security could increase the Company's costs and impact its reputation.
- The Company is subject to more stringent capital and liquidity requirements as a result of the Basel III regulatory capital reforms and the Dodd-Frank Act, which could adversely affect its return on equity and otherwise affect its business.
- The Bank is subject to the CFPB's broad regulatory authority and new regulations, or new approaches to regulation or enforcement by the CFPB could adversely impact the Company.
- Failure to comply with the USA Patriot Act, OFAC, the Bank Secrecy Act and related FinCEN guidelines and related regulations could have a material impact on the Company.

Risks Related to the Company's Securities

- The Company relies on dividends from its subsidiaries for substantially all of its revenue.
- An active trading market in the Company's common stock may not be sustained.
- Future issuances of the Company's common stock or preferred stock could adversely affect the market price of the common stock and preferred stock and could be dilutive.
- Common stock and preferred stock are equity and are subordinate to the Company's existing and future indebtedness and effectively subordinated to all the indebtedness and other non- equity claims against the Bank and the Company's other subsidiaries.
- The Company's common stock is subordinate to the Company's existing and future preferred stock.

General Risk Factors

- New lines of business or new products and services may subject the Company to additional risk.
- Negative perception of the Company through social media may adversely affect the Company's reputation and business.
- Changes in accounting standards could impact reported earnings.
- Climate change or societal responses to climate change could adversely affect the Company's business and performance, including indirectly through impacts on its customers and vendors.

Risks Related to the COVID-19 Pandemic

The COVID-19 pandemic and resulting adverse economic conditions have already adversely impacted the Company's business and results, and could have a more material adverse impact on its business, financial condition, and results of operations.

The ongoing COVID-19 global and national health emergency has caused significant disruption in the United States and international economies and financial markets, even as more businesses opened up in 2021 and there was significant improvement in economic activity compared to the prior years in the pandemic. The spread of COVID-19 in the United States has caused illness, quarantines, cancellation of events and travel, business and school shutdowns, reduction in commercial activity and financial transactions, supply chain interruptions, increased unemployment, and overall economic and financial market instability. The federal government and many state and local governments have implemented social distancing and other restrictions in response to the ongoing COVID-19 pandemic and the recent Delta and Omicron variants of COVID-19. While some of these restrictions are still in force at varying degrees, others have been lifted. As a result, some impacts of COVID-19 are subsiding and the United States experienced increased economic activity in 2021 and early 2022.

Although banks have generally been permitted to continue operating, the COVID-19 pandemic has caused disruptions to the Company's business and could cause material disruptions to its business and operations in the future. To the extent that commercial and social restrictions are in place or increase in severity, the Company's expenses, delinquencies, charge-offs, foreclosures, and credit losses may materially increase, and the Company could experience reductions in fee income. In addition, any declines in credit quality could significantly affect the adequacy of the Company's ACL, which would lead to increases in the provision for credit losses and related declines in its net income.

Unfavorable economic conditions and increasing unemployment figures may also make it more difficult for the Company to maintain deposit levels and loan origination volume and to obtain additional financing. Furthermore, such conditions have and may continue to cause the value of the Company's investment portfolio and of collateral associated with its existing loans to decline. In response to inflationary economic conditions, the Federal Reserve has communicated its intent to begin increasing the target range for the federal funds rate in 2022. Generally, the Company benefits from a rising rate environment given its interest rate risk profile, however rising interest rate may have an adverse impact on our borrowers with floating rate loans ability to repay their loans.

While the Company has taken and is continuing to take precautions to protect the safety and well-being of its employees and customers, no assurance can be given that the steps being taken will be deemed to be adequate or appropriate, nor can the Company predict the continued level of disruption that will occur to its employee's ability to provide customer support and service. The continued, renewed, or increased spread of COVID-19 could negatively impact the availability of key personnel necessary to conduct the Company's business, the business and operations of its third-party service providers who perform critical services for the business, or the businesses of many of the Company's customers and

borrowers. If COVID-19 is not successfully contained, the Company could experience a material adverse effect on its business, financial condition, results of operations, and cash flow.

Among the factors outside the Company's control that are likely to affect the impact the COVID-19 pandemic will ultimately have on its business are, without limitation:

- the pandemic's duration, nature, and severity;
- the uncertainty regarding new variants of COVID-19 that have emerged or that may emerge in the future;
- the efficacy of available vaccines and treatments and the speed of future development of effective vaccines and treatments;
- the direct and indirect results of the pandemic, such as recessionary economic trends, including with respect to employment, wages and benefits, commercial activity, the residential housing market, consumer spending and real estate and investment securities market values;
- political, legal, and regulatory actions and policies in response to the pandemic, including the effects of restrictions on commerce and banking, such as temporary or required suspensions of collections, foreclosures, and related obligations;
- the timing, magnitude, and effect of public spending, directly or through subsidies, its direct and indirect effects on commercial activity and incentives of employers and individuals to resume or increase employment, wages and benefits, and commercial activity;
- effects on the Company's liquidity position due to changes in customers' deposit and loan activity in response to the pandemic and its economic effects;
- the timing and availability of direct and indirect governmental support for various financial assets, including mortgage loans;
- potential longer-term effects of increased government spending on the interest rate environment, borrowing costs for non-governmental parties, and inflation;
- the ability of the Company's employees to work effectively during the course of the pandemic;
- the ability of the Company's third-party vendors to maintain a high-quality and effective level of service;
- the possibility of increased fraud, cybercrime, and similar incidents, due to vulnerabilities posed by the significant increase in Company employees and customers handling their banking interactions remotely from home, or otherwise;
- required changes to the Company's internal controls over financial reporting to reflect a rapidly changing work environment;
- potential longer-term shifts toward mobile banking, telecommuting, and telecommerce;
- short- and long-term health impacts;
- unforeseen effects of the pandemic; and
- geographic variation in the severity and duration of the COVID-19 pandemic, including in states in which the Company operates physically such as Virginia, Maryland, and North Carolina.

The ongoing COVID-19 pandemic has contributed to significant volatility in the financial markets. Depending on the extent and duration of the COVID-19 pandemic and perceptions regarding national and global recovery from the pandemic, the price of the Company's common stock may continue to experience volatility and potential declines.

The Company is continuing to monitor the COVID-19 pandemic and related risks, although the rapid development and fluidity of the situation precludes any specific prediction as to its ultimate impact on the Company. However, if the pandemic continues to spread or otherwise results in a continuation or worsening of the current economic and commercial environments, the Company's business, financial condition, results of operations, and cash flows could be materially adversely affected.

Risks Related to the Company's Lending Activities

The Company's ACL may prove to be insufficient to absorb credit losses in its loan portfolio.

Like all financial institutions, the Company maintains an ACL to provide for loans that its borrowers may not repay in their entirety. The Company believes that it maintains an ACL at a level adequate to absorb expected losses in the loan portfolio as of the corresponding balance sheet date and in compliance with applicable accounting and regulatory guidance. The ACL, however, may not be sufficient to cover expected loan losses and future provisions for loan losses

could materially and adversely affect the Company's operating results. Accounting related to the ACL requires significant estimates that are subject to uncertainty and changes relating to new information and changing circumstances. The significant uncertainties surrounding the ability of the Company's borrowers to execute their business models successfully through changing economic environments, competitive challenges, and other factors complicate the Company's estimates of the risk of loss and amount of loss on any loan. Due to the degree of uncertainty and susceptibility of these factors to change, the actual losses may vary from current estimates. The Company expects possible fluctuations in the loan loss provisions due to changes in economic conditions.

The Company's banking regulators, as an integral part of their examination process, periodically review the ACL and may require the Company to increase its ACL by recognizing additional provisions for loan losses charged to expense, or to decrease the ACL by recognizing loan charge-offs, net of recoveries. Any such required additional provisions for loan losses or charge-offs could have a material adverse effect on the Company's financial condition and results of operations.

The Bank's concentration in loans secured by real estate may adversely affect earnings due to changes in the real estate markets.

The Bank offers a variety of secured loans, including commercial lines of credit, commercial term loans, real estate, construction, home equity, consumer, equipment financing, and other loans. Many of the Bank's loans are secured by real estate (both residential and commercial). A major change in the real estate markets or in the local or national economy, resulting in deterioration in the value of this collateral or rental or occupancy rates, could adversely affect borrowers' ability to pay these loans, which in turn could negatively affect the Bank. The Bank tries to limit its exposure to these risks by monitoring extensions of credit carefully; however, risks of loan defaults and foreclosures are unavoidable in the banking industry. As the Bank cannot fully eliminate credit risk; credit losses will occur in the future. Additionally, changes in the real estate market also affect the value of foreclosed assets, and therefore, additional losses may occur when management determines it is appropriate to sell the assets.

The Bank has significant credit exposure in commercial real estate, and loans with this type of collateral are viewed as having more risk of default.

The Bank's commercial real estate portfolio consists primarily of non-owner-operated properties and other commercial properties. These types of loans are generally viewed as having more risk of default than residential real estate loans. They are also typically larger than residential real estate loans and consumer loans and depend on cash flows from the owner's business or the property's tenants to service the debt. Cash flows may be affected significantly by general economic conditions, and a downturn in the local economy or in occupancy rates in the local economy where the property is located could increase the likelihood of default. The Bank's loan portfolio contains a number of commercial real estate loans with relatively large balances, and thus the deterioration of one or a few of these loans could cause a significant increase in the percentage of non-performing loans. An increase in non-performing loans could result in a loss of earnings from these loans, an increase in the provision for loan losses and an increase in charge-offs, all of which could have a material adverse effect on the Bank's financial condition and results of operations.

The Bank's banking regulators generally give commercial real estate lending greater scrutiny and may require banks with higher levels of commercial real estate loans to implement enhanced risk management practices, which could have a material adverse effect on the Bank's results of operations. Such practices include underwriting, internal controls, risk management policies, more granular reporting and portfolio stress testing, as well as possibly higher levels of allowances for losses and capital levels as a result of commercial real estate lending growth and exposures.

The Bank's loan portfolio contains construction and development loans, and a decline in real estate values or economic conditions could adversely affect the value of the collateral securing the loans and have an adverse effect on the Bank's financial condition.

Construction and development loans are generally viewed as having more risk than residential real estate loans because repayment is often dependent on completion of the project and the subsequent financing of the completed project as a commercial real estate or residential real estate loan and, in some instances, on the rent or sale of the underlying project.

Although the Bank's construction and development loans are primarily secured by real estate, the Bank believes that, in the case of the majority of these loans, the real estate collateral by itself may not be a sufficient source for repayment of

the loan if real estate values decline. If the Bank is required to liquidate the collateral securing a construction and development loan to satisfy the debt, its earnings and capital may be adversely affected. A period of reduced real estate values may continue for some time, resulting in potential adverse effects on the Bank's earnings and capital.

The Bank's commercial and industrial loans have contributed significantly to the Bank's loan growth. A weakening of economic conditions could adversely affect the collectability of the loans and underlying collateral.

Commercial and industrial loans are generally made to support the Bank's borrowers' need for short-term or seasonal cash flow and equipment/vehicle purchases. These loans are typically based on the borrowers' ability to repay the loans from the cash flow of their businesses. The assets securing these loans may depreciate over time or can be difficult to appraise and liquidate, and may fluctuate in value based on the success of the business. This type of collateral may not yield substantial recovery in the event a default occurs and the Bank needs to liquidate the business.

Loans that the Bank has made through federal programs are dependent on the federal government's continuation and support of these programs and on the Bank's compliance with program requirements.

The Bank participates in various U.S. government agency loan guarantee programs, including programs operated by the SBA. If the Bank fails to follow any applicable regulations, guidelines or policies associated with a particular guarantee program, any loans the Bank originates as part of that program may lose the associated guarantee, exposing the Bank to credit risk it would not otherwise be exposed to or have underwritten, or result in the Bank's inability to continue originating loans under such programs, either of which could have a material adverse effect on the Company's business, financial condition or results of operations.

Federal and state governments have enacted laws and implemented programs intending to stimulate the economy in light of the business and market disruptions related to COVID-19, including the PPP. The Bank participated as a lender in both rounds of the PPP, processing approximately $2.0 billion of loan forgiveness on approximately 16,000 PPP loans since the inception of the program through December 31, 2021. The PPP loans are fully guaranteed as to payment of principal and interest by the SBA and the Bank believes that the majority of these loans will be forgiven. However, there can be no assurance that the borrowers will use or have used the funds appropriately or will have satisfied the staffing or payment requirements to qualify for forgiveness in whole or in part. Any portion of the loan that is not forgiven must be repaid by the borrower. In the event of a loss resulting from a default on a PPP loan and a determination by the SBA that there was a deficiency in the manner in which the PPP loan was originated, funded or serviced by the Bank, which may or may not be related to an ambiguity in the laws, rules or guidance regarding operation of the PPP, the SBA may deny its liability under the guaranty, reduce the amount of the guaranty, or, if the Bank has already been paid under the guaranty, seek recovery from the Bank of any loss related to the deficiency. Several large banks have been subject to litigation regarding the process and procedures that such banks used in processing applications for the PPP. The Bank may be exposed to the risk of litigation, from both customers and non-customers that approached the Bank regarding PPP loans and the Bank's PPP processes. If any such litigation is filed against the Bank and is not resolved in a manner favorable to the Bank, it may result in significant financial liability or adversely affect the Bank's reputation. Any financial liability, litigation costs or reputational damage caused by PPP related litigation could have a material adverse impact on the Company's business, financial condition and results of operations.

The Bank relies upon independent appraisals to determine the value of the real estate which secures a significant portion of its loans, and the values indicated by such appraisals may not be realizable if the Bank is forced to foreclose upon such loans.

A significant portion of the Bank's loan portfolio consists of loans secured by real estate. The Bank relies upon independent appraisers to estimate the value of such real estate. Appraisals are only estimates of value and the independent appraisers may make mistakes of fact or judgment that adversely affect the reliability of their appraisals. In addition, events occurring after the initial appraisal may cause the value of the real estate to increase or decrease. As a result of any of these factors, the real estate securing some of the Bank's loans may be more or less valuable than anticipated at the time the loans were made. If a default occurs on a loan secured by real estate that is less valuable than originally estimated as evidenced by an updated appraisal, the Bank may not be able to recover the outstanding balance of the loan.

The Company's credit standards and its on-going credit assessment processes might not protect it from significant credit losses.

The Company assumes credit risk by virtue of making loans and extending loan commitments and letters of credit. The Company manages credit risk through a program of underwriting standards, heightened review of certain credit decisions, and a continuous quality assessment process of credit already extended. The Company's exposure to credit risk is managed through the use of consistent underwriting standards that emphasize local lending while avoiding highly leveraged transactions and excessive industry and other concentrations. The Company's credit administration function employs risk management techniques to help ensure that problem loans are promptly identified. While these procedures are designed to provide the Company with the information needed to implement policy adjustments where necessary and to take appropriate corrective actions, there can be no assurance that such measures will be effective in avoiding undue credit risk.

The Company's focus on lending to small to mid-sized community-based businesses may increase its credit risk.

Most of the Company's commercial business and commercial real estate loans are made to small business or middle market customers. These businesses generally have fewer financial resources in terms of capital or borrowing capacity than larger entities and have a heightened vulnerability to economic conditions. If general economic conditions in the market areas in which the Company operates negatively impact this important customer sector, the Company's results of operations and financial condition may be adversely affected. Moreover, a portion of these loans have been made by the Company in recent years, and the borrowers may not have experienced a complete business or economic cycle. Any deterioration of the borrowers' businesses may hinder their ability to repay their loans with the Company, which could have a material adverse effect on the Company's financial condition and results of operations.

Nonperforming assets take significant time to resolve and may adversely affect the Company's results of operations and financial condition.

The Company's nonperforming assets adversely affect its net income in various ways. The Company does not record interest income on nonaccrual loans, which adversely affects its income and increases loan administration costs. When the Company receives collateral through foreclosures and similar proceedings, it is required to mark the related loan to the then fair market value of the collateral less estimated selling costs, which may result in a loss. An increase in the level of nonperforming assets also increases the Company's risk profile and may affect the minimum capital levels regulators believe are appropriate for the Company in light of such risks. The Company utilizes various techniques such as workouts, restructurings, and loan sales to manage problem assets. Increases in or negative adjustments in the value of these problem assets, the underlying collateral, or in the borrowers' performance or financial condition, could adversely affect the Company's business, results of operations, and financial condition. In addition, the resolution of nonperforming assets requires significant commitments of time from management and staff, which can be detrimental to the performance of their other responsibilities, including origination of new loans. There can be no assurance that the Company will avoid further increases in nonperforming assets in the future.

The Company's mortgage revenue is cyclical and is sensitive to the level of interest rates, changes in economic conditions, decreased economic activity, and slowdowns in the housing market, any of which could adversely impact the Company's profits.

The Bank originates residential mortgage loans under the Atlantic Union Home Loans Division brand of the Bank. The Atlantic Union Bank Home Loans Division business lends to borrowers nationwide. The success of the Company's mortgage business is dependent upon its ability to originate loans and sell them to investors, in each case at or near current volumes. Loan production levels are sensitive to changes in the level of interest rates and changes in economic conditions. Loan production levels may suffer if the Company experiences a slowdown in housing markets, tightening credit conditions or increasing interest rates. Any sustained period of decreased activity caused by fewer refinancing transactions, higher interest rates, housing price pressure, or loan underwriting restrictions would adversely affect the Company's mortgage originations and, consequently, could significantly reduce its income from mortgage activities. As a result, these conditions would also adversely affect the Company's results of operations.

Deteriorating economic conditions may also cause home buyers to default on their mortgages. In certain cases, where the Company has originated loans and sold them to investors, the Company may be required to repurchase loans or provide a financial settlement to investors if it is proven that the borrower failed to provide full and accurate information on, or

related to, their loan application, if appraisals for such properties have not been acceptable or if the loan was not underwritten in accordance with the loan program specified by the loan investor. In the ordinary course of business, the Company records an indemnification reserve relating to mortgage loans previously sold based on historical statistics and loss rates. If such reserves were insufficient to cover claims from investors, such repurchases or settlements would adversely affect the Company's results of operations.

Risks Related to Market Interest Rates

Changes in interest rates could adversely affect the Company's income and cash flows.

The Company's income and cash flows depend to a great extent on the difference between the interest rates earned on interest-earning assets, such as loans and investment securities, and the interest rates paid on interest-bearing liabilities, such as deposits and borrowings. These rates are highly sensitive to many factors beyond the Company's control, including general economic conditions and the policies of the Federal Reserve and other governmental and regulatory agencies. Changes in monetary policy, including changes in interest rates, will influence the origination of loans, the prepayment of loans, the fair value of existing assets and liabilities, the purchase of investments, the retention and generation of deposits, the rates received on loans and investment securities, and the rates paid on deposits or other sources of funding. The impact of these changes may be magnified if the Company does not effectively manage the relative sensitivity of its assets and liabilities to changes in market interest rates. In addition, the Company's ability to reflect such interest rate changes in pricing its products is influenced by competitive pressures. Fluctuations in these areas may adversely affect the Company and its shareholders. If the Federal Reserve raises interest rates, the Company may not be able to reflect increasing interest rates in rates charged on loans or paid on deposits due to competitive pressures, which would negatively impact the Company's financial condition and results of operations.

The Company generally seeks to maintain a neutral position in terms of the volume of assets and liabilities that mature or re-price during any period so that it may reasonably maintain its net interest margin; however, interest rate fluctuations, loan prepayments, loan production, deposit flows, and competitive pressures are constantly changing and influence the ability to maintain a neutral position. Generally, the Company's earnings will be more sensitive to fluctuations in interest rates depending upon the variance in volume of assets and liabilities that mature and re-price in any period. The extent and duration of the sensitivity will depend on the cumulative variance over time, the velocity and direction of changes in interest rates, shape and slope of the yield curve, and whether the Company is more asset sensitive or liability sensitive. Accordingly, the Company may not be successful in maintaining a neutral position and, as a result, the Company's net interest margin may be affected.

The phasing out and ultimate replacement of LIBOR with an alternative reference rate and changes in the manner of calculating other reference rates may adversely impact the value of loans and other financial instruments the Company holds that are linked to LIBOR or other reference rates in ways that are difficult to predict and could adversely impact the Company's financial condition and results of operations.

LIBOR and certain other interest rate benchmarks are the subject of recent national and international reform. Intercontinental Exchange, Inc., the company that administers LIBOR, stated in March 2021 that it would cease the publication of one week and two month LIBOR rates immediately after the LIBOR publication on December 31, 2021, and the remaining LIBOR rates immediately following the LIBOR publication on June 30, 2023. The U.S. federal banking agencies have issued statements to encourage U.S. banks to transition away from U.S. dollar LIBOR as soon as practicable and not to enter into new contracts that use U.S. dollar LIBOR after December 31, 2021.

Given LIBOR's extensive use across financial markets, the transition away from LIBOR presents various risks and challenges to financial markets and institutions, including to the Company, and liquidity in the interbank markets on which those LIBOR estimates are based has been declining. It is not possible to predict the effect of these changes, other reforms or the establishment of alternative reference rates in the United Kingdom or elsewhere. Efforts in the United States to identify a set of alternative U.S. dollar reference rates include a proposal by the Alternative Reference Rates Committee of the Federal Reserve Board and the Federal Reserve Bank of New York for the market to transition from LIBOR to the Secured Overnight Financing Rate, or SOFR. Whether or not the SOFR attains market acceptance as a LIBOR replacement remains in question and the future of LIBOR at this time is uncertain. The Company has begun offering lending solutions to its customers based on SOFR and certain prime-linked variable rates, and is limiting its origination of new loans or other products using a LIBOR rate or index.

The market transition away from LIBOR to alternative reference rates is a complex process and could have a range of effects on the Company's business, financial condition and results of operations, including but not limited to by (i) adversely affecting the interest rates received or paid on the revenues and expenses associated with, or the value of the Company's LIBOR-based assets and liabilities; (ii) adversely affecting the interest rates paid on or received from other securities or financial arrangements, given LIBOR's historically prominent role in determining market interest rates globally, or (iii) resulting in disputes, litigation or other actions with borrowers or other counterparties about the interpretation or enforceability of certain fallback language contained in LIBOR-based loans, securities or other contracts. In addition, uncertainty regarding the nature of such potential changes, alternative reference rates or other reforms may adversely affect the trading market for securities on which the interest or dividend is determined by reference to LIBOR, including the Company's trust preferred securities. The discontinuation of LIBOR could also result in operational, legal and compliance risks, and if the Company is unable to adequately manage such risks, they could have a material adverse impact on the Company's reputation and on its business, financial condition, results of operations or future prospects.

Risks Related to the Company's Business, Industry and Markets

The Company's business may be adversely affected by conditions in the financial markets and economic conditions generally.

The banking industry is directly affected by national, regional, and local economic conditions. Management allocates significant resources to mitigate and respond to risks associated with changing economic conditions, however, such conditions cannot be predicted or controlled. Adverse changes in economic conditions, including a reduction in federal government spending, flatter yield curve, extended low interest rates, inflation, or negative changes in consumer and business spending, borrowing, and savings habits, could adversely affect the credit quality of the Company's loans, and/or the Company's results of operations and financial condition. The Company's financial performance is dependent on the business environment in the markets where the Company operates, in particular, the ability of borrowers to pay interest on and repay principal of outstanding loans and the value of collateral securing those loans, as well as demand for loans and other products and services the Company offers. In addition, the Company holds securities which can be significantly affected by various factors, including interest rates and credit ratings assigned by third parties. Rising interest rates or an adverse credit rating on securities held by the Company could result in a reduction of the fair value of its securities portfolio and have an adverse impact on the Company's financial condition. In response to inflationary economic conditions, the Federal Reserve has communicated its intent to begin increasing the target range for the federal funds rate in 2022. Generally, the Bank benefits from a rising rate environment given its interest rate risk profile, however rising interest rate may have an adverse impact on our borrowers with floating rate loans ability to repay their loans.

Adverse changes in economic conditions in Virginia, Maryland, or North Carolina or adverse conditions in an industry on which a local market in which the Company does business relies could negatively impact the Company's business in a material way.

The Company provides full-service banking and other financial services throughout Virginia and in portions of Maryland and North Carolina. The Company's loan and deposit activities are directly affected by, and the Company's financial success depends on, economic conditions within the local markets in which the Company does business, as well as conditions in the industries on which those markets are economically dependent. A deterioration in local economic conditions or in the condition of an industry on which a local market relies could adversely affect such factors as unemployment rates, business formations and expansions, housing demand, apartment vacancy rates and real estate values in the local market. This could result in, among other things, a decline in loan demand, a reduction in the number of creditworthy borrowers seeking loans, an increase in loan delinquencies, defaults and foreclosures, an increase in classified and nonaccrual loans, a decrease in the value of loan collateral and a decline in the net worth and liquidity of borrowers and guarantors. Any of these factors could negatively impact the Company's business in a material way.

The Company faces substantial competition that could adversely affect the Company's growth and/or operating results.

The Company operates in a competitive market for financial services and faces intense competition from other financial institutions both in making loans and attracting deposits which can greatly affect pricing for its products and services. The Company's primary competitors include community, regional, and national banks as well as credit unions and

mortgage companies. Many of these financial institutions are significantly larger and have established customer bases, greater financial resources, and higher lending limits. In addition, credit unions are exempt from corporate income taxes, providing a significant competitive pricing advantage compared to banks. Certain nonbank competitors of the Company are increasingly offering products and services that traditionally were banking products due to technological advances, and many of these nonbank competitors are not subject to the same extensive federal regulations that govern bank holding companies and federally insured banks. As a result, some of the Company's competitors in its market have the ability to offer products and services that the Company is unable to offer or to offer such products and services at more competitive rates.

The Company's consumers may increasingly decide not to use the Bank to complete their financial transactions, which would have a material adverse impact on the Company's financial condition and operations.

Technology and other changes are allowing parties to complete financial transactions through alternative methods that have historically involved banks. For example, consumers can now maintain funds that would have historically been held as bank deposits in brokerage accounts, mutual funds, or general-purpose reloadable prepaid cards. Consumers can also complete transactions such as paying bills and/or transferring funds directly without the assistance of banks. The Company faces increasing competition from fintech companies, as trends toward digital financial transactions have accelerated following the onset of the COVID-19 pandemic. The process of eliminating banks as intermediaries, known as "disintermediation," could result in the loss of fee income, as well as the loss of customer deposits and the related income generated from those deposits. The loss of these revenue streams and the lower cost of deposits as a source of funds could have a material adverse effect on the Company's financial condition and results of operations.

Risks Related to the Company's Operations

The Company's operations may be adversely affected by cyber security risks and cyber-attacks.

In the ordinary course of business, the Company collects and stores confidential and sensitive data, including proprietary business information and personally identifiable information of its customers and employees in systems and on networks. The secure processing, maintenance, and use of this information is critical to the Company's operations and business strategy. In addition, the Company relies heavily on communications and information systems to conduct its business. Any failure, interruption, or breach in security or operational integrity of these systems, such as "hacking", "identity theft" and "cyber fraud", could result in failures or disruptions in the Company's customer relationship management, the general ledger, deposits, loans, and other systems. The Company has invested in technologies, and continually reviews its controls, processes and practices that are designed to protect its networks, computers, and data, including customer information from damage or unauthorized access. Despite these security measures, the Company's computer systems and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance, or other disruptions. Because the techniques used to obtain unauthorized access, or to disable or degrade systems change frequently and often are not recognized until launched against a target, the Company may be unable to anticipate these techniques or to implement adequate protective measures.

There can be no assurance that the Company will not suffer cyber-attacks or other information security breaches or be impacted by losses from such events in the future. The Company's risk and exposure to these matters remain heightened because of, among other things, the evolving nature of these threats, current use of internet banking and mobile banking channels, expanded operations and third-party information systems. Recent instances of attacks specifically targeting financial services businesses indicate that the risk to the Company's systems remains significant.

A breach of any kind could compromise systems, and the information stored there could be accessed, damaged, or disclosed. A breach in security or other failure could result in legal claims, regulatory penalties, disruption in operations, remediation expenses, costs associated with customer notification and credit monitoring services, increased insurance premiums, fines and costs associated with civil litigation, loss of customers and business partners, loss of confidence in the security of our systems, products and services, and damage to the Company's reputation, which could adversely affect its business and financial condition. Furthermore, as cyber threats continue to evolve and increase, the Company may be required to expend significant additional financial and operational resources to modify or enhance its protective measures, or to investigate and remediate any identified information security vulnerabilities.

The inability of the Company to successfully manage its growth or to implement its growth strategy may adversely affect the Company's results of operations and financial conditions.

The Company may not be able to successfully implement its growth strategy if it is unable to identify and compete for attractive markets, locations, or opportunities to expand in the future. In addition, the ability to manage growth successfully depends on whether the Company can maintain adequate capital levels, maintain cost controls, effectively manage asset quality, effectively manage increasing regulatory compliance requirements, and successfully integrate any businesses acquired into the organization.

As consolidation within the financial services industry continues, the competition for suitable strategic acquisition candidates may increase. The Company will compete with other financial services companies for acquisition and expansion opportunities, and many of those competitors will have greater financial resources than the Company does and may be able to pay more for an acquisition than the Company is able or willing to pay. The Company cannot assure that it will have opportunities to acquire other financial institutions, or that the Company will be able to negotiate, finance, and complete any opportunities available to it.

If the Company is unable to effectively implement its strategies for organic growth and strategic acquisitions (if any), the business, results of operations, and financial condition may be materially adversely affected.

Difficulties in combining the operations of acquired entities with the Company's own operations may prevent the Company from achieving the expected benefits from acquisitions.

The Company may not be able to fully achieve the strategic objectives and operating efficiencies expected in an acquisition. Inherent uncertainties exist in integrating the operations of an acquired entity. In addition, the markets and industries in which the Company and its potential acquisition targets operate are highly competitive. The Company may lose its customers and/or key personnel, or those of acquired entities, as a result of an acquisition. The Company may also not be able to control the incremental increase in noninterest expense arising from an acquisition in a manner that improves its overall operating efficiencies. These factors could contribute to the Company not achieving the expected benefits from its acquisitions within desired time frames, if at all. Future business acquisitions (if any) could be material to the Company and it may issue additional shares of common stock to pay for those acquisitions, which would dilute current shareholders' ownership interests. Acquisitions also could require the Company to use substantial cash, other liquid assets, or to incur debt; the Company could therefore become more susceptible to economic downturns and competitive pressures. Further, acquisitions typically involve the payment of a premium over book and market values and, therefore, some dilution of the Company's tangible book value and net income per share of common stock may occur in connection with any future acquisitions.

The carrying value of goodwill and other intangible assets may be adversely affected.

When the Company completes an acquisition, goodwill and other intangible assets are often recorded on the date of acquisition as an asset. Current accounting guidance requires goodwill to be tested for impairment, and the Company performs such impairment analysis at least annually. A significant adverse change in expected future cash flows or sustained adverse change in the Company's common stock could require the asset to become impaired. If impaired, the Company would incur a charge to earnings that would have a significant impact on the results of operations. The Company's carrying value of goodwill and net amortizable intangibles were approximately $935.6 million and $43.3 million, respectively, at December 31, 2021.

The Company's risk-management framework may not be effective in mitigating risk and loss.

The Company maintains an enterprise risk management program that is designed to identify, assess, mitigate, monitor, and report the risks that it faces. These risks include: interest-rate, credit, liquidity, operational, reputation, compliance, legal, technology, and model risk. While the Company assesses and improves this program on an ongoing basis, there can be no assurance that its approach and framework for risk management and related controls will effectively mitigate all risk and limit losses in its business. If conditions or circumstances arise that expose flaws or gaps in the Company's risk-management program, or if the Company's controls break down, the Company's results of operations and financial condition may be adversely affected.

The Company's exposure to operational, technological, and organizational risk may adversely affect the Company.

Similar to other financial institutions, the Company is exposed to many types of operational and technological risks, including reputation, legal, and compliance risks. The Company's ability to grow and compete is dependent on its ability to build or acquire the necessary operational and technological infrastructure and to manage the cost of that infrastructure while it expands and integrates acquired businesses. Operational risk can manifest itself in many ways, such as errors related to failed or inadequate processes, faulty or disabled computer systems, fraud by employees or persons outside of the Company, and exposure to external events. The Company is dependent on its operational infrastructure to help manage these risks. From time to time, it may need to change or upgrade its technology infrastructure. The Company may experience disruption, and it may face additional exposure to these risks during the course of making such changes. As the Company acquires other financial institutions, it faces additional challenges when integrating different operational platforms. Such integration efforts may be more disruptive to the Company's business and/or more costly or time-intensive than anticipated.

The Company continually encounters technological change which could affect its ability to remain competitive.

The financial services industry is continually undergoing technological change with frequent introductions of new technology-driven products and services, and the Company anticipates that new technologies will continue to emerge that may be superior to, or render obsolete, the technologies currently used by the Company and the Bank in its products and services. The Company continues to invest in technology and connectivity to automate functions previously performed manually, to facilitate the ability of customers to engage in financial transactions, and otherwise to enhance the customer experience with respect to its products and services. The Company's continued success depends, in part, upon its ability to address the needs of its customers by using technology to provide products and services that satisfy customer demands and create efficiencies in its operations. Developing or acquiring access to new technologies and incorporating those technologies into the Company's and Bank's products and services, or using them to expand the Company's and the Bank's products and services, in each case in a way that enables the Company and the Bank to remain competitive, may require significant investments, may take considerable time to complete, and ultimately may not be successful. A failure to maintain or enhance a competitive position with respect to technology, whether because of a failure to anticipate customer expectations, substantially fewer resources to invest in technological improvements than larger competitors, or because the Company's technological developments fail to perform as desired or are not rolled out in a timely manner, may cause the Company to lose market share or incur additional expense.

The operational functions of business counterparties over which the Company may have limited or no control may experience disruptions that could adversely impact the Company.

Multiple major U.S. retailers and a major consumer credit reporting agency have experienced data systems incursions in recent years reportedly resulting in the thefts of credit and debit card information, online account information, and other personal and financial data of hundreds of millions of individuals. Retailer incursions affect cards issued and deposit accounts maintained by many banks, including the Bank. Although neither the Company's nor the Bank's systems are breached in retailer incursions, such incursions can still cause customers to be dissatisfied with the Bank and otherwise adversely affect the Company's and the Bank's reputation. These events can also cause the Bank to reissue a significant number of cards and take other costly steps to avoid significant theft loss to the Bank and its customers. In some cases, the Bank may be required to reimburse customers for the losses they incur. Credit reporting agency intrusions affect the Bank's customers and can require these customers and the Bank to increase account monitoring and take remedial action to prevent unauthorized account activity or access. Other possible points of intrusion or disruption not within the Company's nor the Bank's control include internet service providers, electronic mail portal providers, social media portals, distant-server ("cloud") service providers, electronic data security providers, telecommunications companies, and smart phone manufacturers.

The Company and the Bank rely on other companies to provide key components of their business infrastructure.

Third parties provide key components of the Company's (and the Bank's) business operations such as data processing, recording and monitoring transactions, online banking interfaces and services, internet connections, and network access. While the Company has selected these third-party vendors carefully, it does not control their actions. Any problem caused by these third parties, such as poor performance of services, failure to provide services, disruptions in communication services provided by a vendor, and failure to handle current or higher volumes could adversely affect the

Company's ability to deliver products and services to its customers and otherwise conduct its business, and may harm its reputation. Financial or operational difficulties of a third-party vendor could also negatively impact the Company's operations if those difficulties affect the vendor's ability to serve the Company. Replacing these third-party vendors could also create significant delay and expense. Accordingly, use of such third parties creates an unavoidable inherent risk to the Company's business operations.

The Company depends on the accuracy and completeness of information about clients and counterparties, and its financial condition could be adversely affected if it relies on misleading information.

In deciding whether to extend credit or to enter into other transactions with clients and counterparties, the Company may rely on information furnished to it by or on behalf of clients and counterparties, including financial statements and other financial information, which the Company does not independently verify. The Company also may rely on representations of clients and counterparties as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit to clients, the Company may assume that a customer's audited financial statements conform to GAAP and present fairly, in all material respects, the financial condition, results of operations, and cash flows of the customer. The Company's financial condition and results of operations could be negatively impacted to the extent it relies on financial statements that do not comply with GAAP or are materially misleading.

The Company's dependency on its management team and the unexpected loss of any of those personnel could adversely affect operations.

The Company is a customer-focused and relationship-driven organization. Future growth is expected to be driven in large part by the relationships maintained with customers. While the Company has assembled an experienced management team, is building the depth of that team, and has management development plans in place, the unexpected loss of key employees could have a material adverse effect on the Company's business and may result in lower revenues or greater expenses.

Failure to maintain effective systems of internal control over financial reporting and disclosure controls and procedures could have a material adverse effect on the Company's results of operation and financial condition.

Effective internal control over financial reporting and disclosure controls and procedures are necessary for the Company to provide reliable financial reports, to effectively prevent fraud, and to operate successfully as a public company. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results would be harmed. As part of the Company's ongoing monitoring of internal control, it may discover material weaknesses or significant deficiencies in its internal control that require remediation. A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis.

The Company has in the past discovered, and may in the future discover, specific areas of its internal controls that need improvement. In addition, the Company continually works to improve the overall operation of its internal controls. The Company cannot, however, be certain that these measures will ensure that it implements and maintains adequate controls over its financial processes and reporting in the future. Any failure to maintain effective controls or to timely implement any necessary improvement of the Company's internal and disclosure controls could, among other things, result in losses from fraud or error, harm the Company's reputation, or cause investors to lose confidence in the Company's reported financial information, all of which could have a material adverse effect on the Company's results of operation and financial condition and the trading price of the Company's securities.

Limited availability of financing or inability to raise capital could adversely impact the Company.

The amount, type, source, and cost of the Company's funding directly impacts the ability to grow assets. In addition, the Company could need to raise additional capital in the future to provide it with sufficient capital resources and liquidity to meet its commitments and business needs, particularly if the Company's asset quality or earnings were to deteriorate significantly, or if the Company develops an asset concentration that requires the support of additional capital. The ability to raise funds through deposits, borrowings, and other sources could become more difficult, more expensive, or altogether unavailable. A number of factors, many of which are outside the Company's control, could make such

financing more difficult, more expensive or unavailable including: the financial condition of the Company at any given time; rate disruptions in the capital markets; the reputation for soundness and security of the financial services industry as a whole; and competition for funding from other banks or similar financial service companies, some of which could be substantially larger or have stronger credit ratings.

The Company is a defendant in a variety of litigation and other actions, which may have a material adverse effect on its financial condition and results of operation.

The Company may be involved from time to time in a variety of litigation arising out of its business. The Company's insurance may not cover all claims that may be asserted against it, and any claims asserted against it, regardless of merit or eventual outcome, may harm the Company's reputation. Should the ultimate judgments or settlements in any litigation exceed the Company's insurance coverage, they could have a material adverse effect on the Company's financial condition and results of operation for any period. In addition, the Company may not be able to obtain appropriate types or levels of insurance in the future, nor may the Company be able to obtain adequate replacement policies with acceptable terms, if at all.

The Company may not be able to generate sufficient taxable income to fully realize its deferred tax assets.

The Company has NOL carryforwards and other tax attributes that relate to its deferred tax assets. The Company's management currently believes that it is more likely than not that the Company will realize its deferred tax assets, based on management's expectation that the Company will generate taxable income in future years sufficient to absorb substantially all of its NOL carryforwards and other tax attributes. If the Company is unable to generate sufficient taxable income, it may not be able to fully realize its deferred tax assets and would be required to record a valuation allowance against these assets. A valuation allowance would be recorded as income tax expense and would adversely affect the Company's net income.

Risks Related to the Company's Regulatory Environment

The Company is subject to additional regulation, increased supervision and increased costs compared to some financial institutions because the Company's assets exceed $10 billion.

Various federal banking laws and regulations, including rules adopted by the Federal Reserve pursuant to the requirements of the Dodd-Frank Act impose additional regulatory requirements on institutions with $10 billion or more in assets. As of December 31, 2021, the Company had $20.1 billion in total assets. As a result, the Company is subject to additional regulatory requirements, increased supervision and increased costs compared to financial institutions with assets of less than $10 billion, including the following: (i) supervision, examination and enforcement by the CFPB with respect to consumer financial protection laws; (ii) enhanced supervision as a larger financial institution; (iii) a modified methodology for calculating FDIC insurance assessments and potentially higher assessment rates; and (iv) under the Durbin Amendment to the Dodd-Frank Act, is subject to a cap on the interchange fees that may be charged in certain electronic debit and prepaid card transactions.

The imposition of these regulatory requirements and increased supervision may require commitment of additional financial resources to regulatory compliance, may increase the Company's cost of operations, and may otherwise have a significant impact on the Company's business, financial condition and results of operations. Further, the results of the stress testing process may lead the Company to retain additional capital or alter the mix of its capital components as compared to the Company's current capital management strategy.

Current and to-be-effective laws and regulations addressing consumer privacy and data use and security could increase the Company's costs and impact its reputation.

The Company is subject to a number of laws concerning consumer privacy and data use and security, including information safeguard rules under the Gramm-Leach-Bliley Act. These rules require that financial institutions develop, implement, and maintain a written, comprehensive information security program containing safeguards that are appropriate to the financial institution's size and complexity, the nature and scope of the financial institution's activities, and the sensitivity of any customer information at issue. The United States has experienced a heightened legislative and regulatory focus on privacy and data security, including requiring consumer notification in the event of a data breach. In addition, most states have enacted security breach legislation requiring varying levels of consumer notification in the

event of certain types of security breaches, and certain states including Virginia have enacted significant new consumer data privacy protections that can significantly limit a company's use of customer financial data and impose significant compliance burdens on companies that collect or use that data. The new Virginia consumer data privacy laws will be effective in 2023, and compliance with these laws may require significant expenditures of time and resources. Additional new regulations in these areas may increase compliance costs, which could negatively impact earnings. In addition, failure to comply with the privacy and data use and security laws and regulations to which the Company is subject, including by reason of inadvertent disclosure of confidential information, could result in fines, sanctions, penalties, or other adverse consequences and loss of consumer confidence, which could materially adversely affect the Company's results of operations, overall business, and reputation.

Legislative or regulatory changes or actions, or significant litigation, could adversely affect the Company or the businesses in which the Company is engaged.

The Company is subject to extensive state and federal regulation, supervision, and legislation that govern almost all aspects of its operations. These regulations affect the Company's lending practices, capital structure, investment practices, dividend policy, and growth, among other things. Laws and regulations change from time to time and are primarily intended for the protection of consumers, depositors, the FDIC's DIF, and the banking system of the whole, rather than shareholders. The impact of any changes to laws and regulations or other actions by regulatory agencies are unpredictable, but may negatively affect the Company or its ability to increase the value of its business. Such changes could include higher capital requirements, increased insurance premiums, increased compliance costs, reductions of noninterest income, limitations on services and products that can be provided, or the increased ability of nonbanks to offer competing financial services and products, among other things. Failure to comply with laws, regulations, and policies could result in actions by regulatory agencies or significant litigation against the Company, which could cause the Company to devote significant time and resources to defend itself and may lead to liability, penalties, reputational damage, or regulatory restrictions that materially adversely affect the Company and its shareholders. Future legislation, regulation, and government policy could affect the banking industry as a whole, including the Company's business and results of operations, in ways that are difficult to predict. In addition, the Company's results of operations also could be adversely affected by changes in the way in which existing statutes and regulations are interpreted or applied by courts and government agencies.

The Company is subject to capital and liquidity requirements, which could adversely affect its return on equity and otherwise affect its business.

The Company and the Bank are each subject to capital adequacy guidelines and other regulatory requirements specifying minimum amounts and types of capital which each must maintain. From time to time, regulators implement changes to these regulatory capital adequacy guidelines. In addition, regulators may require the Company to maintain higher levels of regulatory capital based on the Company's condition, risk profile, or growth plans or conditions in the banking industry or economy. The capital adequacy standards applicable to the Company and the Bank impose stricter capital requirements and leverage limits than the requirements to which the Company and the Bank were subject in the past.

The application of more stringent capital requirements could, among other things, result in lower returns on equity, require the raising of additional capital, and result in regulatory actions if the Company were to be unable to comply with such requirements. Furthermore, the imposition of liquidity requirements in connection with the implementation of Basel III could result in the Company having to lengthen the term of its funding, restructure its business models, and/or increase its holdings of liquid assets. Implementation of changes to asset risk weightings for risk-based capital calculations, items included or deducted in calculating regulatory capital and/or additional capital conservation buffers could result in management modifying its business strategy, and could limit the Company's ability to make distributions, including paying out dividends or buying back shares. If the Company and the Bank fail to meet these minimum capital guidelines and/or other regulatory requirements, the Company's financial condition would be materially and adversely affected.

The Bank is subject to the CFPB's broad regulatory and enforcement authority and new regulations, or new approaches to regulation or enforcement by the CFPB, could adversely impact the Company.

The CFPB has examination and enforcement authority over the Bank and has broad rulemaking authority to administer and carry out the purposes and objectives of federal consumer financial protection laws. Among other things, the CFPB is authorized to issue rules identifying and prohibiting acts or practices that are unfair, deceptive or abusing in

connection with any transaction with a consumer for a consumer financial product or service, or the offering of a consumer financial product or service. The CFPB has broad discretion to interpret the term "abusive" to cover a wide range of acts or practices. New regulations, or new approaches to regulation or enforcement by the CFPB could adversely impact the Bank's deposit, consumer lending, mortgage lending, loan collection or overdraft coverage programs and, as a result, could have a material adverse effect on the Company's business, financial condition or results of operations.

Failure to comply with the USA Patriot Act, OFAC, the Bank Secrecy Act and related FinCEN guidelines and related regulations could have a material impact on the Company.

Bank regulatory agencies routinely examine financial institutions for compliance with the USA Patriot Act, OFAC, the Bank Secrecy Act and related FinCEN guidelines and related regulations. Failure to maintain and implement adequate programs as required by these obligations to combat terrorist financing, elder abuse, human trafficking, anti-money laundering and other suspicious activity and to fully comply with all of the relevant laws or regulations, could have serious legal, financial and reputational consequences for the Company. Such a failure could cause a bank regulatory agency not to approve a merger or acquisition transaction or to prohibit such a transaction even if formal approval is not required. In addition, such a failure could result in a regulatory authority imposing a formal enforcement action or civil money penalty for regulatory violations.

Risks Related to the Company's Securities

The Company relies on dividends from its subsidiaries for substantially all of its revenue.

The Company is a financial holding company and a bank holding company that conducts substantially all of its operations through the Bank and other subsidiaries. As a result, the Company relies on dividends from its subsidiaries, particularly the Bank, for substantially all of its revenues. There are various regulatory restrictions on the ability of the Bank to pay dividends or make other payments to the Company. Also, the Company's right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to the prior claims of the subsidiary's creditors. In the event the Bank is unable to pay dividends to the Company, the Company may not be able to service debt, pay obligations, or pay a cash dividend to the holders of its common stock or the holders of its depositary shares, which represent fractional interests in the Company's Series A preferred stock, and the Company's business, financial condition, and results of operations may be materially adversely affected. Further, although the Company has historically paid a cash dividend to the holders of its common stock, holders of the common stock are not entitled to receive dividends, and regulatory or economic factors may cause the Company's Board of Directors to consider, among other things, the reduction of dividends paid on the Company's common stock or the Company's depositary shares even if the Bank continues to pay dividends to the Company.

An active trading market in the Company's common stock may not be sustained.

The trading volume in the Company's common stock on the NASDAQ Global Select Market may fluctuate. It is possible that an active and liquid trading market for the Company's common stock will not be sustained, which would make it difficult for a shareholder to sell shares of common stock at an attractive price (or at all). Additionally, shareholders may not be able to sell a substantial number of shares for the same price at which shareholders could sell a smaller number of shares.

Future issuances of the Company's common stock or preferred stock could adversely affect the market price of the common stock and preferred stock and could be dilutive.

The Company is not restricted from issuing additional shares of common stock or preferred stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive, shares of common stock or preferred stock. Issuances of a substantial number of shares of common stock or preferred stock, or the issuance of depositary shares representing a significant liquidation amount of preferred stock, or the expectation that such issuances might occur, including in connection with acquisitions by the Company, could materially adversely affect the market price of the shares of common stock, preferred stock or depositary shares and could be dilutive to shareholders. Because the Company's decision to issue equity securities in the future will depend on market conditions and other factors, it cannot predict or estimate the amount, timing, or nature of possible future equity issuances. Accordingly, the Company's

shareholders bear the risk that future equity issuances will reduce market prices and dilute their stock holdings in the Company.

Common stock and preferred stock are equity and are subordinate to the Company's existing and future indebtedness and effectively subordinated to all the indebtedness and other non- equity claims against the Bank and the Company's other subsidiaries.

Shares of the Company's common stock and preferred stock are equity interests and do not constitute indebtedness. As such, shares of the common stock and depositary shares, which represent fractional interests in the Company's Series A preferred stock, will rank junior to all of the Company's indebtedness and to other non-equity claims against the Company and its assets available to satisfy claims against it, including in the event of the Company's liquidation. Additionally, holders of the Company's common stock are subject to prior dividend and liquidation rights of holders of the Company's depositary shares and other outstanding preferred stock, if any. The Company is permitted to incur additional debt. Upon liquidation, lenders and holders of the Company's debt securities would receive distributions of the Company's available assets prior to holders of the Company's common stock, depositary shares and other outstanding preferred stock, if any. Furthermore, the Company's right to participate in a distribution of assets upon any of its subsidiaries' liquidation or reorganization is subject to the prior claims of that subsidiary's creditors, including holders of any preferred stock of that subsidiary.

The Company's common stock is subordinate to the Company's existing and future preferred stock.

The Company has outstanding Series A preferred stock that is senior to the Company's common stock and could adversely affect the ability of the Company to declare or pay dividends or distributions on common stock. Under the terms of the Series A preferred stock, the Company is prohibited from paying dividends on its common stock unless all full dividends for the latest dividend period on all outstanding shares of Series A preferred stock have been declared and paid in full or declared and a sum sufficient for the payment of those dividends has been set aside. Furthermore, if the Company experiences a material deterioration in its financial condition, liquidity, capital, results of operations or risk profile, the Company's regulators may not permit it to make future payments on its Series A preferred stock, thereby preventing the payment of dividends on the Company's common stock.

The Company's governing documents and Virginia law contain anti-takeover provisions that could negatively affect its shareholders.

The Company's Articles of Incorporation and Bylaws and the Virginia Stock Corporation Act contain certain provisions designed to enhance the ability of the Company's Board of Directors to respond to attempts to acquire control of the Company. These provisions and the ability to set the voting rights, preferences, and other terms of any series of preferred stock that may be issued, may be deemed to have an anti-takeover effect and may discourage takeovers (which certain shareholders may deem to be in their best interest). To the extent that such takeover attempts are discouraged, temporary fluctuations in the market price of the Company's common stock resulting from actual or rumored takeover attempts may be inhibited. These provisions also could discourage or make more difficult a merger, tender offer, or proxy contest, even though such transactions may be favorable to the interests of shareholders, and could potentially adversely affect the market price of the Company's common stock.

Economic conditions may cause volatility in the Company's common stock value.

The value of publicly traded stocks in the financial services sector can be volatile, including due to declining or sustained weak economic conditions, which may make it more difficult for a holder to sell the Company's common stock when the holder wants and at prices that are attractive. However, even in a stable economic environment the value of the Company's common stock can be affected by a variety of factors such as expected results of operations, actual results of operations, actions taken by shareholders, news or expectations based on the performance of others in the financial services industry, and expected impacts of a changing regulatory environment. These factors not only impact the value of the Company's common stock but could also affect the liquidity of the stock given the Company's size, geographical footprint, and industry.

General Risk Factors

New lines of business or new products and services may subject the Company to additional risk.

From time to time, the Company may implement new lines of business or offer new products and services within existing lines of business. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In developing and marketing new lines of business and/or new products and services, the Company may invest significant time and resources. Initial timetables for the introduction and development of new lines of business and/or new products or services may not be achieved and price and profitability targets may not prove feasible. External factors, such as competitive alternatives and shifting market preferences, may also impact the successful implementation of a new line of business and/or a new product or service. Furthermore, strategic planning remains important as the Company adopts innovative products, services, and processes in response to the evolving demands for financial services and the entrance of new competitors, such as out-of-market banks and financial technology firms. Any new line of business and/or new product or service could have a significant impact on the effectiveness of the Company's system of internal controls, so the Company must responsibly innovate in a manner that is consistent with sound risk management and is aligned with the Bank's overall business strategies. Failure to successfully manage these risks in the development and implementation of new lines of business and/or new products or services could have a material adverse effect on the Company's business, results of operations and financial condition.

Negative perception of the Company through social media may adversely affect the Company's reputation and business.

The Company's reputation is critical to the success of its business. The Company believes that its brand image has been well received by customers, reflecting the fact that the brand image, like the Company's business, is based in part on trust and confidence. The Company's reputation and brand image could be negatively affected by rapid and widespread distribution of publicity through social media channels. The Company's reputation could also be affected by the Company's association with clients affected negatively through social media distribution, or other third parties, or by circumstances outside of the Company's control. Negative publicity, whether true or untrue, could affect the Company's ability to attract or retain customers, or cause the Company to incur additional liabilities or costs, or result in additional regulatory scrutiny.

Changes in accounting standards could impact reported earnings.

The authorities that promulgate accounting standards, including the FASB, SEC, and other regulatory authorities, periodically change the financial accounting and reporting standards that govern the preparation of the Company's consolidated financial statements. These changes are difficult to predict and can materially impact how the Company records and reports its financial condition and results of operations. In some cases, the Company could be required to apply a new or revised standard retrospectively to financial statements for prior periods. Such changes could also require the Company to incur additional personnel or technology costs.

Climate change or societal responses to climate change could adversely affect the Company's business and performance, including indirectly through impacts on its customers and vendors.

Climate change can increase the likelihood of the occurrence and severity of natural disasters and can also result in longer-term shifts in climate patterns such as extreme heat, sea level rise and more frequent and prolonged drought. The effects of climate change may have a significant effect on the Company's geographic markets, and could disrupt the operations of the Company, its customers, third parties on which it relies, or supply chains more generally. Those disruptions could result in declines in economic conditions in geographic markets or industries in which the Company's borrowers operate and impact their ability to repay loans or maintain deposits. Climate change could also impact the Company's assets or employees directly or lead to changes in customer preferences that could negatively affect the Company's growth or the Company's business strategies. In addition, the Company's reputation and customer relationships could be damaged due to its practices related to climate change, including its or its customers' involvement in certain industries or projects associated with causing or exacerbating climate change.

ITEM 1B. - UNRESOLVED STAFF COMMENTS.

The Company has no unresolved staff comments to report.

ITEM 2. - PROPERTIES.

The Company, through its subsidiaries, owns or leases buildings that are used in the normal course of business. The Company leases its corporate headquarters, which is located in an office building at 1051 East Cary Street, Suite 1200, Richmond, Virginia. The Company's subsidiaries own or lease various other offices in the counties and cities in which they operate. At December 31, 2021, the Bank operated 130 branches throughout Virginia and in portions of Maryland and North Carolina. The Company owns its operations center, which is located in Ruther Glen, Virginia; however, during the fourth quarter of 2021, the Company announced the upcoming closure of the operations center, which is expected to occur by March 2022. See the Note 1 "Summary of Significant Accounting Policies", Note 5 "Premises and Equipment", and Note 7 "Leases" in the "Notes to the Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K for information with respect to the amounts at which the Company's premises and equipment are carried and commitments under long-term leases.

ITEM 3. - LEGAL PROCEEDINGS.

In the ordinary course of its operations, the Company and its subsidiaries are parties to various legal proceedings. Based on the information presently available and after consultation with legal counsel, management believes that the ultimate outcome in such legal proceedings, in the aggregate, will not have a material adverse effect on the business or the financial condition or results of operations of the Company subject to the potential outcomes of the matter discussed below.

On February 9, 2022, pursuant to the CFPB's NORA process, the CFPB Office of Enforcement notified the Bank that it is considering recommending that the CFPB take legal action against the Bank in connection with alleged violations of Regulation E, 12 C.F.R. § 1005.17, and the Consumer Financial Protection Act, 12 U.S.C. §§ 5531 and 5536, in connection with the Bank's overdraft practices and policies. The purpose of the NORA process is to ensure that potential subjects of enforcement actions have the opportunity to respond to alleged violations and present their positions to the CFPB before an enforcement action is recommended or commenced. Should the CFPB commence a legal action, it may seek restitution to affected customers, civil monetary penalties, injunctive relief, or other corrective action. The Company and the Bank are unable at this time to determine how or when the matter will be resolved or the significance, if any, to our business, financial condition, or results of operations.

ITEM 4. - MINE SAFETY DISCLOSURES.

None.

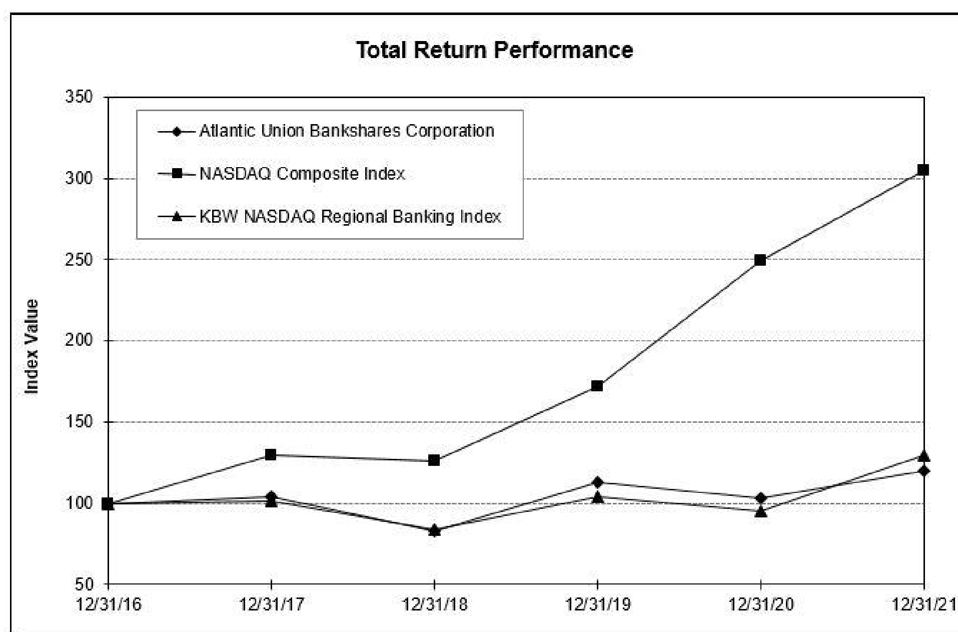
PART II

ITEM 5. - MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

The following performance graph does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other Company filing under the Securities Act or the Exchange Act, except to the extent the Company specifically incorporates the performance graph by reference therein.

Five-Year Stock Performance Graph

The following chart compares the yearly percentage change in the cumulative shareholder return on the Company's common stock during the five years ended December 31, 2021, with (1) the Total Return Index for the NASDAQ Composite, and (2) the Total Return Index for KBW NASDAQ Regional Banking. This comparison assumes $100 was invested on December 31, 2016 in the Company's common stock and the comparison groups and assumes the reinvestment of all cash dividends prior to any tax effect and retention of all stock dividends. The Company previously also used the Total Return Index for SNL U.S. Bank NASDAQ index, which was discontinued in 2021. Instead, the Company is using the KBW NASDAQ Regional Banking index as a replacement, which includes many companies that are a part of the Company's peer group.



Index	*Period Ended* 12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
Atlantic Union Bankshares Corporation	$ 100.00	$ 103.67	$ 82.79	$ 113.13	$ 103.06	**$ 120.07**
NASDAQ Composite	100.00	129.64	125.96	172.18	249.51	**304.85**
KBW NASDAQ Regional Banking Index	100.00	101.75	83.95	103.94	94.89	**129.65**

Source: S&P Global Market Intelligence (2022)

Information on Common Stock, Market Prices and Dividends

The Company's common stock is listed on the NASDAQ Global Select Market and is traded under the symbol "AUB." There were 75,663,648 shares of the Company's common stock outstanding at the close of business on December 31, 2021. The shares were held by 6,359 shareholders of record. The closing price of the Company's common stock on December 31, 2021 was $37.29 compared to $32.94 on December 31, 2020.

Regulatory restrictions on the ability of the Bank to transfer funds to the Company at December 31, 2021 are set forth in Note 20 "Parent Company Financial Information," contained in the "Notes to the Consolidated Financial Statements" in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K. A discussion of certain limitations on the ability of the Bank to pay dividends to the Company and the ability of the Company to pay dividends on its common stock, is set forth in Part I, Item 1 "Business" of this Form 10-K under the headings "Supervision and Regulation – The Company - Limits on Dividends and Other Payments."

It is anticipated that dividends will continue to be paid on a quarterly basis. In making its decision on the payment of dividends on the Company's common stock, the Board of Directors considers operating results, financial condition, capital adequacy, regulatory requirements, shareholder returns, and other factors.

Stock Repurchase Programs

In 2019, the Company's Board of Directors authorized a share repurchase program to purchase up to $150.0 million of the Company's common stock through June 30, 2021 in open market transactions or privately negotiated transactions. On March 20, 2020, the Company suspended its share repurchase program, which had approximately $20.0 million remaining in authorization at the time. The Company repurchased an aggregate of approximately 3.7 million shares, at an average price of $35.48 per share, under the authorization prior to suspension.

On May 4, 2021, the Company's Board of Directors authorized a share repurchase program to purchase up to $125.0 million worth of the Company's common stock through June 30, 2022 in open market transactions or privately negotiated transactions, which was fully utilized as of September 30, 2021. The Company repurchased an aggregate of approximately 3.4 million shares, at an average price of $36.99 per share.

On December 10, 2021, the Company's Board of Directors authorized a new share repurchase program (the "Repurchase Program") to purchase up to $100.0 million of the Company's common stock through December 9, 2022 in open market transactions or privately negotiated transactions, including pursuant to a trading plan in accordance with Rule 10b5-1 and /or Rule 10b-18 under the Exchange Act. The Repurchase Program permits management to repurchase shares of the Company's common stock from time to time at management's discretion. The actual means and timing of any shares purchased under the Repurchase Program will depend on a variety of factors, including the market price of the Company's common stock, general market and economic conditions, and applicable legal and regulatory requirements. The Repurchase Program does not obligate the Company to purchase any particular number of shares. There were no share repurchase transactions under the Repurchase Program for the year ended December 31, 2021. Refer to Note 21 "Subsequent Events" in the "Notes to Consolidated Financial Statements" contained in Item 8 of this Form 10-K for share repurchase transactions that occurred in 2022.

The following information provides details of the Company's common stock repurchases for the three months ended December 31, 2021:

Period	Total number of shares purchased[1]	Average price paid per share ($)	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs ($)
October 1 - October 31, 2021	**4,417**	**36.52**	**-**	**-**
November 1 - November 30, 2021	**399**	**37.08**	**-**	**-**
December 1 - December 31, 2021	**433**	**35.38**	**-**	**100,000,000**
Total	**5,249**	**36.47**	**-**	

[1] *For the three months ended December 31, 2021, 5,249 shares were withheld upon the vesting of restricted shares granted to employees of the Company in order to satisfy tax withholding obligations.*

ITEM 6. [RESERVED]

ITEM 7. - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis provides information about the major components of the results of operations and financial condition, liquidity, and capital resources of the Company and its subsidiaries. This discussion and analysis should be read in conjunction with the "Consolidated Financial Statements" and the "Notes to the Consolidated Financial Statements," which include the Company's critical accounting policies, presented in Item 8 "Financial Statements and Supplementary Data" contained in this Form 10-K.

In management's discussion and analysis, the Company provides certain financial information determined by methods other than in accordance with U.S. GAAP. These non-GAAP financial measures are a supplement to GAAP, which is used to prepare the Company's financial statements, and should not be considered in isolation or as a substitute for comparable measures calculated in accordance with GAAP. In addition, the Company's non-GAAP financial measures may not be comparable to non-GAAP financial measures of other companies. The Company believes that these non-GAAP financial measures provide additional understanding of ongoing operations, enhance comparability of results of operations with prior periods and show the effects of significant gains and charges in the periods presented without the impact of items or events that may obscure trends in the Company's underlying performance. Non-GAAP financial measures may be identified with the symbol (+) and may be labeled as adjusted. Refer to the "Non-GAAP Financial Measures" section within this Item 7 for more information about these non-GAAP financial measures, including a reconciliation of these measures to the most directly comparable financial measures in accordance with GAAP.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The accounting and reporting policies of the Company are in accordance with U.S. GAAP and conform to general practices within the banking industry. The Company's financial position and results of operations are affected by management's application of accounting policies, including estimates, assumptions, and judgments made to arrive at the carrying value of assets and liabilities and amounts reported for revenues, expenses, and related disclosures. Different assumptions in the application of these policies could result in material changes in the Company's consolidated financial position and/or results of operations. The Company evaluates its critical accounting estimates and assumptions on an ongoing basis and updates them as needed. Management has discussed the Company's critical accounting policies and estimates with the Audit Committee of the Board of Directors of the Company.

The critical accounting and reporting policies include the Company's accounting for the ALLL, acquired loans, and goodwill. The Company's accounting policies are fundamental to understanding the Company's consolidated financial position and consolidated results of operations. Accordingly, the Company's significant accounting policies are discussed in detail in Note 1 "Summary of Significant Accounting Policies" in the "Notes to the Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K.

The following is a summary of the Company's critical accounting policies that are highly dependent on estimates, assumptions, and judgments. The below accounting policies related to the ALLL were updated following the Company's adoption of ASC 326 on January 1, 2020.

Allowance for Loan and Lease Losses - The provision for loan losses is an amount sufficient to bring the ALLL to an estimated balance that management considers adequate to absorb expected losses in the portfolio. The ALLL is a valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. Loans are charged off against the ALLL when management believes the loan balance is no longer collectible. Subsequent recoveries of previously charged off amounts are recorded as increases to the ALLL; however, expected recoveries do not exceed the aggregate of amounts previously charged-off.

Management's determination of the adequacy of the ALLL is based on an evaluation of the composition of the loan portfolio, the value and adequacy of collateral, current economic conditions, historical loan loss experience, reasonable and supportable forecasts, and other risk factors. The ALLL is estimated using a loan-level PD/LGD method for all loans with the exception of its overdraft, auto and third-party consumer lending portfolios. For auto and third party consumer lending portfolios, the Company has elected to pool those loans based on similar risk characteristics to determine the ALLL using vintage and loss rate methods.

The Company considers a number of economic variables in developing the ALLL of which the Virginia unemployment rate is the most significant. The ALLL quantitative estimate is sensitive to changes in the forecast of the Virginia

unemployment rate over the two-year reasonable and supportable period, with the commercial portfolio being the most sensitive to fluctuations in unemployment. To forecast Virginia unemployment, the Company utilizes Moody's economic forecasts. At December 31, 2021, the baseline scenario used in the two-year reasonable and supportable period forecast included the Virginia unemployment rate at an average of 2.6%, compared to an average of 5.0% Virginia unemployment rate in the baseline scenario forecast used for the December 31, 2020 estimate. Because current economic conditions and forecasts can change and future events are inherently difficult to predict, the anticipated amount of estimated credit losses on loans, and therefore the appropriateness of the ALLL, could change significantly. It is difficult to estimate how potential changes in any one economic factor or input might affect the overall allowance because a wide variety of factors and inputs are considered in estimating the allowance and changes in those factors and inputs considered may not occur at the same rate and may not be consistent across all loan types. Additionally, changes in factors and inputs may be directionally inconsistent, such that improvement in one factor may offset deterioration in others.

While management uses available information to estimate expected losses on loans, future changes in the ALLL may be necessary based on changes in portfolio composition, portfolio credit quality, and/or economic conditions.

Determining the Contractual Term

Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments when appropriate. The contractual term excludes expected extensions, renewals, and modifications unless either of the following applies: management has a reasonable expectation at the reporting date that a TDR will be executed with an individual borrower or the extensions or renewal options are included in the original or modified contract at the reporting date and are not unconditionally legally cancelable by the Company.

The Company's ALLL measures the expected lifetime loss using pooled assumptions and loan-level details for financial assets that share common risk characteristics and evaluates an individual reserve in instances where the financial assets do not share the same risk characteristics.

Collectively Assessed Reserve Consideration

Loans that share common risk characteristics are considered collectively assessed. Loss estimates within the collectively assessed population are based on a combination of pooled assumptions and loan-level characteristics.

Quantitative loss estimation models have been developed based largely on internal historical data at the loan and portfolio levels from 2005 through the current period and the economic conditions during the same time period. Expected losses for the Company's collectively assessed loan segments are estimated using a number of quantitative methods including PD/LGD, Vintage, and Loss Rate.

As part of its qualitative framework, the Company evaluates its current underwriting standards, geographic footprint, national and international current and forecasted economic conditions, expected government stimulus, and other factors to estimate the impact that changes in these factors may have on expected loan losses.

The Company's ALLL for the current period is based on a two-year reasonable and supportable forecast period with a straight-line reversion over the next two years to long-term average loss factors.

Individually Assessed Reserve Consideration

Loans that do not share risk characteristics are evaluated on an individual basis. The individual reserve component relates to loans that have shown substantial credit deterioration as measured by risk rating and/or delinquency status. In addition, the Company has elected the practical expedient that would include loans for individual assessment consideration if the repayment of the loan is expected substantially through the operation or sale of collateral because the borrower is experiencing financial difficulty. Where the source of repayment is the sale of collateral, the ALLL is based on the fair value of the underlying collateral, less selling costs, compared to the amortized cost basis of the loan. If the ALLL is based on the operation of the collateral, the reserve is calculated based on the fair value of the collateral calculated as the present value of expected cash flows from the operation of the collateral, compared to the amortized cost basis. If the Company determines that the value of a collateral dependent loan is less than the recorded investment in the loan, the Company charges off the deficiency if it is determined that such amount is deemed uncollectible. Typically, a loss is confirmed when the Company is moving toward foreclosure or final disposition.

The Company obtains appraisals from a pre-approved list of independent, third party appraisers located in the market in which the collateral is located. The Company's approved appraiser list is continuously maintained by the Company's REVG to ensure the list only includes such appraisers that have the experience, reputation, character, and knowledge of

the respective real estate market. At a minimum, it is ascertained that the appraiser is currently licensed in the state in which the property is located, experienced in the appraisal of properties similar to the property being appraised, has knowledge of current real estate market conditions and financing trends, and is reputable. The Company's internal REVG, which reports to the Enterprise Risk Management group, performs either a technical or administrative review of all appraisals obtained in accordance with the Company's Appraisal Policy. The Appraisal Policy mirrors the federal regulations governing appraisals, specifically the Interagency Appraisal and Evaluation Guidelines and FIRREA. A technical review will ensure the overall quality of the appraisal, while an administrative review ensures that all of the required components of an appraisal are present. Independent appraisals or valuations are obtained on all individually assessed loans, as well as updated every twelve months for all individually assessed loans. Adjustments to real estate appraised values are only permitted to be made by the REVG. The individually assessed analysis is reviewed and approved by senior Credit Administration officers and the Special Assets Loan Committee. External valuation sources are the primary source to value collateral dependent loans; however, the Company may also utilize values obtained through other valuation sources. These alternative sources of value are used only if deemed to be more representative of value based on updated information regarding collateral resolution. The ALLL on loans individually assessed is updated, reviewed, and approved on a quarterly basis at or near the end of each reporting period.

The Company performs regular credit reviews of the loan portfolio to review the credit quality and adherence to its underwriting standards. The credit reviews include annual commercial loan reviews performed by the Company's commercial bankers in accordance with CLP, relationship reviews that accompany annual loan renewals, and independent reviews by its Loan Review Group. Upon origination, each commercial loan is assigned a risk rating ranging from one to nine, with loans closer to one having less risk. This risk rating scale is the Company's primary credit quality indicator. Consumer loans are not risk rated unless past due status, bankruptcy, or other event results in the assignment of a Substandard or worse risk rating in accordance with the consumer loan policy.

Governance

The Company's Allowance Committee, which reports to the Audit Committee and contains representatives from both the Company's finance and risk teams, is responsible for approving the Company's estimate of expected credit losses and resulting ALLL. The Allowance Committee considers the quantitative model results and qualitative factors when approving the final ALLL. The Company's ALLL model is subject to the Company's models risk management program which is overseen by the Model Risk Management Committee, which reports to the Company's Board Risk Committee.

Acquired Loans –The Company has purchased loans, some of which have experienced more than insignificant credit deterioration since origination. Acquired loans are recorded at their fair value at acquisition date without carryover of the acquiree's previously established ALLL, as credit discounts are included in the determination of fair value. The fair value of the loans is determined using market participant assumptions in estimating the amount and timing of both principal and interest cash flows expected to be collected on the loans and then applying a market-based discount rate to those cash flows. During evaluation upon acquisition, acquired loans are also classified as either PCD or acquired performing. The acquired loans are subject to the Company's ALLL Policy upon acquisition.

Acquired performing loans are accounted for under ASC 310-20, *Receivables – Nonrefundable Fees and Other Costs*. The difference between the fair value and unpaid principal balance of the loan at acquisition date (premium or discount) is amortized or accreted into interest income over the life of the loans. If the acquired performing loan has revolving privileges, it is accounted for using the straight-line method; otherwise, the effective interest method is used.

PCD loans reflect loans that have experienced more-than-insignificant credit deterioration since origination, as it is probable at acquisition that the Company will not be able to collect all contractually required payments. These PCD loans are accounted for under ASC 326. The PCD loans are segregated into pools based on loan type and credit risk. Loan type is determined based on collateral type, purpose, and lien position. Credit risk characteristics include risk rating groups, nonaccrual status, and past due status. For valuation purposes, these pools are further disaggregated by maturity, pricing characteristics, and re-payment structure.

PCD loans are recorded at the amount paid. An ALLL is determined using the same methodology as other LHFI. The initial ALLL is determined on a collective basis and is allocated to individual loans. The sum of the loan's purchase price and ALLL becomes its initial amortized cost basis. The difference between the initial amortized cost basis and the par value of the loan is a noncredit discount or premium, which is amortized into interest income over the life of the loan. Subsequent changes to the ALLL are recorded through provision expense.

Goodwill- The Company follows ASC 350, *Goodwill and Other Intangible Assets,* which prescribes the accounting for goodwill and intangible assets subsequent to initial recognition. Goodwill is generally determined as the excess of the fair value of the consideration transferred, plus the fair value of any noncontrolling interests in the acquiree, over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. Goodwill acquired in a purchase business combination and determined to have an indefinite useful life are not amortized, but tested for impairment at least annually or more frequently if events and circumstances exists that indicate that a goodwill impairment test should be performed. The Company has selected April 30th as the date to perform the annual impairment test. Goodwill is the only intangible asset with an indefinite life on the Company's Consolidated Balance Sheets.

RECENT ACCOUNTING PRONOUNCEMENTS (ISSUED BUT NOT FULLY ADOPTED)

In March 2020, the FASB issued ASU No. 2020-04 *"Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting."* This guidance provides temporary, optional guidance to ease the potential burden in accounting for reference rate reform associated with the LIBOR transition. LIBOR and other interbank offered rates are widely used benchmark or reference rates that have been used in the valuation of loans, derivatives, and other financial contracts. Global capital markets are going to be required to move away from LIBOR and other interbank offered rates and toward rates that are more observable or transaction based and less susceptible to manipulation. Topic 848 provides optional expedients and exceptions, subject to meeting certain criteria, for applying current GAAP to contract modifications and hedging relationships, for contracts that reference LIBOR or another reference rate expected to be discontinued. Topic 848 is intended to help stakeholders during the global market-wide reference rate transition period. The amendments are effective as of March 12, 2020 through December 31, 2022 and can be adopted at an instrument level. As of December 31, 2021, the Company utilized the expedient to assert probability of hedged interest as detailed in Note 1 "Summary of Significant Accounting Policies" in the "Notes to the Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data". The Company may incorporate other components of Topic 848 at a later date as it continues to evaluate the remaining components of Topic 848 and its impact to the Company.

RESULTS OF OPERATIONS

SIGNIFICANT ACTIVITIES

SBA Paycheck Protection Program

The Company's financial condition and results of operations as of and for the years ended December 31, 2021 and December 31, 2020 have been impacted by COVID-19, as well as governmental programs and initiatives responding to COVID-19, including the PPP.

The Company participated in the SBA PPP under the CARES Act, which was intended to provide economic relief to small businesses that had been adversely impacted by COVID-19. The PPP loan funding program expired on May 31, 2021. The Company had PPP loans with a recorded investment of $154.7 million and $1.2 billion and unamortized deferred fees of $4.4 million and $17.6 million as of December 31, 2021 and 2020, respectively. The loans carry a 1% interest rate.

In addition to an insignificant amount of PPP loan pay offs, the Company has processed approximately $2.0 billion of loan forgiveness on approximately 16,000 PPP loans since the inception of the program through December 31, 2021.

Strategic Initiatives

During 2021, the Company took certain actions to reduce expenses in light of the current and expected operating environment that included the closure of the operations center and consolidation of 16 branches, all expected to be completed in March 2022. These actions resulted in restructuring expenses in the fourth quarter of 2021 of approximately $16.5 million and an estimated $5.7 million in the first quarter of 2022, primarily related to real estate, lease and other asset write downs, as well as severance costs. In addition, the Company completed the consolidation of five branches in February 2021 and 15 branches in 2020, which resulted in expenses of approximately $900,000 for the year ended December 31, 2021 and $6.8 million for the year ended December 31, 2020, primarily related to lease termination costs, severance costs and real estate write-downs.

Additionally, during 2021 the Company sold shares of Visa, Inc. Class B common stock and recorded a gain in other income of $5.1 million.

Subordinated Notes Offering

During the fourth quarter of 2021, the Company issued the 2031 Notes at a 2.875% fixed-to-floating rate. The 2031 Notes were sold at par resulting in net proceeds, after underwriting discounts and offering expenses, of approximately $246.9 million. The Company used a portion of the net proceeds from the 2031 Notes issuance to redeem during the fourth quarter of 2021 its outstanding $150 million of 5.00% fixed-to-floating rate subordinated notes that were due to mature in 2026. As a result of the redemption, the Company recorded additional interest expense of approximately $1.0 million in the fourth quarter of 2021 due to the acceleration of the related unamortized discount.

Share Repurchase Program

On December 10, 2021, the Company's Board of Directors authorized a share repurchase program to purchase up to $100.0 million of the Company's common stock in open market transactions or privately negotiated transactions, including pursuant to a trading plan in accordance with Rule 10b5-1 and/or Rule 10b-18 under the Exchange Act. This new Repurchase Program replaced the prior $125.0 million share repurchase authorization that was fully utilized by September 30, 2021 and was due to expire on June 30, 2022. There were no share repurchase transactions during the year ended December 31, 2021. Refer to Note 21 "Subsequent Events" in the "Notes to Consolidated Financial Statements" contained in Item 8 of this Form 10-K for share repurchase transactions that occurred in 2022.

ASC 326 Adoption

On January 1, 2020, the Company adopted ASC 326, which resulted in an increase of $51.7 million in the ACL on January 1, 2020. Subsequent to the adoption of ASC 326, the Company has been impacted by the uncertainties associated with COVID-19. The ACL at December 31, 2021 decreased $62.8 million from December 31, 2020 due to lower expected losses than previously estimated as a result of ongoing economic improvements, benign credit quality metrics since the COVID-19 pandemic began, and a positive macroeconomic outlook. At December 31, 2021 the ACL was $107.8 million, which included an ALLL of $99.8 million and a RUC of $8.0 million, compared to an ACL of $170.5 million, which included an ALLL of $160.5 million and a RUC of $10.0 million at December 31, 2020.

COVID-19 UPDATE

The Company's financial performance generally, and in particular the ability of its borrowers to repay their loans, the value of collateral securing those loans, as well as demand for loans and other products and services the Company offers, is highly dependent on the business environment in its primary markets where it operates and in the United States as a whole.

COVID-19 has had and may continue to have a wide range of economic impacts. Since the first quarter of 2020, COVID-19 severely disrupted supply chains and adversely affected production, demand, sales, and employee productivity across a range of industries, and has increased unemployment in the Company's areas of operation and nationally. During 2021, the economy has, with certain setbacks, started to reopen, as there was wider vaccine distribution, resulting in the easing of restrictions related to COVID-19, which appear to be leading to greater economic activity. However, the national economy and economies in the Company's areas of operations were impacted during 2021 and may continue to be impacted into 2022, despite the fact that many businesses have re-opened at full capacity. In addition, COVID-19 may have social and other impacts that are not yet known but may affect the Company's customers, employees, and vendors. If a resurgence in the COVID-19 pandemic leads to significant restrictions on economic activity or significant impacts on public health, COVID-19 may still present the possibility of an extended economic recession.

During 2021 and 2020, the Company has taken and is continuing to take precautions to protect the safety and well-being of the Bank's employees and customers during COVID-19. The Bank has implemented additional safety policies and procedures and follows guidance issued by the Centers for Disease Control and Prevention, state health authorities, and state and local executive orders where our branches and corporate offices are located. The Bank remains very focused on the safety and well-being of its employees and customers during COVID-19 and is committed to safely and responsibly operating its branch network and maintaining appropriate staffing in each branch.

COVID-19 has adversely affected the Company's business, financial condition, and results of operations since the first quarter of 2020. The duration, nature and severity of future impacts of COVID-19 on the Company's operational and financial performance will depend on future developments with respect to COVID-19, many of which remain highly uncertain and cannot be predicted. For additional information about the risks posed by COVID-19, see "Risks Related to the COVID-19 Pandemic" in Item 1A "Risk Factors".

SUMMARY OF 2021 FINANCIAL RESULTS

Executive Overview

Net Income & Performance Metrics

- Net income available to common shareholders was $252.0 million and diluted EPS was $3.26 for the year ended December 31, 2021, compared to net income of $152.6 million and diluted EPS of $1.93 for the year ended December 31, 2020.
- Adjusted operating earnings available to common shareholders(+), which excludes dividends on preferred stock, net losses related to balance sheet repositioning, gains or losses on sales of securities, gains on the sale of Visa, Inc. Class B common stock, as well as branch closing and facility consolidation costs, totaled $273.3 million and diluted adjusted operating EPS(+) was $3.53 for the year ended December 31, 2021, compared to adjusted operating earnings available to common shareholders(+) of $174.2 million and diluted adjusted operating EPS(+) of $2.21 for the year ended December 31, 2020.

Balance Sheet

- Cash and cash equivalents were $802.5 million at December 31, 2021, an increase of $309.2 million or 62.7% from December 31, 2020.
- Total investments were $4.2 billion at December 31, 2021, an increase of $1.0 billion or 31.6% from December 31, 2020.
- Loans held for investment (net of deferred fees and costs) were $13.2 billion at December 31, 2021, a decrease of $825.5 million or 5.9% from December 31, 2020. Excluding the effects of the PPP(+), loans held for investment (net of deferred fees and costs) totaled $13.0 billion at December 31, 2021, an increase of $203.7 million or 1.6% from the prior year.
- Total deposits at December 31, 2021 were $16.6 billion, an increase of $888.3 million or 5.6% from December 31, 2020.

Net Income

2021 compared to 2020

Net income available to common shareholders for the year ended December 31, 2021 increased $99.5 million or 65.2% to $252.0 million for the year ended December 31, 2021 and represented diluted EPS of $3.26, compared to $152.6 million and $1.93 for the year ended December 31, 2020. The increase primarily reflects the decrease in the provision for credit losses, by $148.0 million from the year ended December 31, 2020 to a negative $60.9 million for the year ended December 31, 2021, primarily due to decreases to the Company's ACL estimates driven by ongoing economic improvements, benign credit quality metrics since the COVID-19 pandemic began and a positive macroeconomic outlook. This increase was partially offset by higher income tax expense, higher noninterest expenses, and lower net interest income and noninterest income. Adjusted operating earnings available to common shareholders(+) totaled $273.3 million for the year ended December 31, 2021, compared to $174.2 million for the year ended December 31, 2020, and diluted adjusted operating EPS(+) were $3.53 for the year ended December 31, 2021, compared to $2.21 for the year ended December 31, 2020.

Net interest income for the year ended December 31, 2021 totaled $551.3 million, which was a decrease of $4.0 million or 0.7% compared to the prior year, primarily reflecting the impact of a decline in overall earning asset yields of 52 bps for the year ended December 31, 2021, offset by a decline in cost of funds of 35 bps for the year ended December 31, 2021 and increased loan accretion recognized on PPP loans.

Noninterest income decreased $5.7 million or 4.3% from $131.5 million for the year ended December 31, 2020 to $125.8 million for the year ended December 31, 2021 as declines in gains on securities transactions, loan swap fees reflecting lower transaction volumes in the current year, and mortgage banking income reflecting lower mortgage loan origination volumes in the current year, were partially offset by increases in unrealized gains on equity method investments, the gain on sale of Visa, Inc. Class B common stock, fiduciary and asset management fees primarily reflecting higher assets under management, income on bank owned life insurance, interchange fees, service charges on deposits, and also the impact of prior year benefitting from a balance sheet repositioning gain.

Noninterest expense increased $5.8 million or 1.4% from $413.3 million for the year ended December 31, 2020 to $419.2 million for the year ended December 31, 2021. The increase was primarily driven by an increase in branch closing and facility consolidation costs, as well as the impact of higher salaries and benefit costs, professional services costs, and technology and data processing expenses for the year ended December 31, 2021, partially offset by declines in losses related to balance sheet repositioning, core deposit intangibles amortization costs, loan-related expenses, and other business continuity expenses associated with the Company’s response to COVID-19.

2020 compared to 2019

Net income available to common shareholders for the year ended December 31, 2020 decreased $41.0 million or 21.2% to $152.6 million for the year ended December 31, 2020 and represented earnings per share of $1.93, compared to $193.5 million and $2.41 for the year ended December 31, 2019. The decrease was primarily due to the economic disruption caused by the COVID-19 pandemic. Adjusted operating earnings available to common shareholders[(+)] totaled $174.2 million for the year ended December 31, 2020, compared to $227.8 million for the year ended December 31, 2019, and diluted adjusted operating EPS[(+)] were $2.21 for the year ended December 31, 2020, compared to $2.84 for the year ended December 31, 2019. For reconciliation of the non-GAAP measures, refer to section “Non-GAAP Measures” included within this Item 7. The reduction in net income for the year ended December 31, 2020 included an increase to the provision for credit losses of $66.0 million from $21.1 million for the year ended December 31, 2019 to $87.1 million for the year ended December 31, 2020, primarily due to increases to the Company’s ACL estimates driven by the impact of the overall worsening economic forecast related to COVID-19 and its related forecast implications required as a result of the Company’s 2020 adoption of CECL. In addition, the Company incurred FHLB prepayment penalties of $31.1 million, expenses of approximately $6.8 million related to branch consolidation costs and other expense reduction actions, and approximately $2.1 million in costs related to the Company’s response to COVID-19 during the year ended December 31, 2020.

Net interest income for the year ended December 31, 2020 totaled $555.3 million, which was an increase of $17.4 million from the year ended December 31, 2019, primarily the result of higher average loan balances, an increase in loan accretion recognized on PPP loans, and cost of funds declines, partially offset by a decline in overall loan and investment yields, and lower purchased loan discount accretion.

Noninterest income decreased $1.3 million from $132.8 million for the year ended December 31, 2019 to $131.5 million for the year ended December 31, 2020 due to a decline in service charges on deposit accounts, which were partially offset by an increases in mortgage banking income and loan related interest rate swap income, as well as benefit proceeds on bank owned life insurance.

Noninterest expense decreased $5.0 million or 1.2% from $418.3 million for the year ended December 31, 2019 to $413.3 million for the year ended December 31, 2020. The decrease was primarily driven by the lack of rebranding and merger-related costs for the year ended December 31, 2020, partially offset by increases in debt extinguishment costs, as well as increases in salaries and benefit costs.

Net Interest Income

Net interest income, which represents the principal source of revenue for the Company, is the amount by which interest income exceeds interest expense. The net interest margin is net interest income expressed as a percentage of average earning assets. Changes in the volume and mix of interest-earning assets and interest-bearing liabilities, as well as their respective yields and rates, have a significant impact on the level of net interest income, the net interest margin, and net income.

The following tables show interest income on earning assets and related average yields, as well as interest expense on interest-bearing liabilities and related average rates paid for the periods indicated:

	For the Year Ended December 31,			
	2021	**2020**	**Change**	
		(Dollars in thousands)		
Average interest-earning assets	**$ 17,903,671**	$ 17,058,795	$ 844,876	
Interest and dividend income	**$ 592,359**	$ 653,454	$ (61,095)	
Interest and dividend income (FTE) (+)	**$ 604,950**	$ 665,001	$ (60,051)	
Yield on interest-earning assets	**3.31 %**	3.83 %	(52)	bps
Yield on interest-earning assets (FTE) (+)	**3.38 %**	3.90 %	(52)	bps
Average interest-bearing liabilities	**$ 11,938,582**	$ 12,243,845	$ (305,263)	
Interest expense	**$ 41,099**	$ 98,156	$ (57,057)	
Cost of interest-bearing liabilities	**0.34 %**	0.80 %	(46)	bps
Cost of funds	**0.23 %**	0.58 %	(35)	bps
Net interest income	**$ 551,260**	$ 555,298	$ (4,038)	
Net interest income (FTE) (+)	**$ 563,851**	$ 566,845	$ (2,994)	
Net interest margin	**3.08 %**	3.26 %	(18)	bps
Net interest margin (FTE) (+)	**3.15 %**	3.32 %	(17)	bps

For the year ended December 31, 2021, net interest income was $551.3 million, a decrease of $4.0 million from the year ended December 31, 2020. For the year ended December 31, 2021, net interest income (FTE) (+) was $563.9 million, a decrease of $3.0 million from the prior year. The decreases in both net interest income and net interest income (FTE) (+) were primarily the result of a decline in overall loan and securities yields partially offset by a decline in cost of funds and increased loan accretion recognized on PPP loans. For the year ended December 31, 2021, PPP loan accretion totaled $39.3 million, an increase of $6.8 million from $32.5 in the prior year. For the year ended December 31, 2021, net interest margin decreased 18 bps and net interest margin (FTE) (+) decreased 17 bps, compared to the year ended December 31, 2020. The net decline in net interest margin and net interest margin (FTE) (+) measures were primarily driven by a decrease in the yield on interest-earning assets, partially offset by a decrease in cost of funds and an increase in loan accretion on PPP loans. The decline in the Company's earning asset yields was primarily driven by declines in loan and securities yields, as a result of the decrease in market interest rates. The cost of funds decline was driven by lower deposit costs and wholesale borrowing costs driven by lower market interest rates and a favorable funding mix.

	For the Year Ended December 31,			
	2020	2019[1]	Change	
	(Dollars in thousands)			
Average interest-earning assets	$ 17,058,795	$ 14,881,142	$ 2,177,653	
Interest and dividend income	$ 653,454	$ 699,332	$ (45,878)	
Interest and dividend income (FTE) (+)	$ 665,001	$ 710,453	$ (45,452)	
Yield on interest-earning assets	3.83 %	4.70 %	(87)	bps
Yield on interest-earning assets (FTE) (+)	3.90 %	4.77 %	(87)	bps
Average interest-bearing liabilities	$ 12,243,845	$ 11,280,822	$ 963,023	
Interest expense	$ 98,156	$ 161,460	$ (63,304)	
Cost of interest-bearing liabilities	0.80 %	1.43 %	(63)	bps
Cost of funds	0.58 %	1.08 %	(50)	bps
Net interest income	$ 555,298	$ 537,872	$ 17,426	
Net interest income (FTE) (+)	$ 566,845	$ 548,993	$ 17,852	
Net interest margin	3.26 %	3.61 %	(35)	bps
Net interest margin (FTE) (+)	3.32 %	3.69 %	(37)	bps

(1) *The 2019 information presented excludes discontinued operations. Refer to Note 1 "Summary of Significant Accounting Policies" in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K for further discussion regarding discontinued operations.*

In the first quarter of 2020, the Federal Reserve reduced the upper bound target on the federal funds rate from 1.75% to 0.25%. As a result of the decrease in market rates, loans indexed to short-term market rates, primarily 1-month LIBOR, repriced lower leading to an overall decline in earning assets yield and compression of the Company's net interest margin. The Company reduced the rates it pays on all customer deposits and has repriced most of its wholesale borrowings as a result of the lower interest rate environment.

For the year ended December 31, 2020, net interest income was $555.3 million, an increase of $17.4 million from the year ended December 31, 2019. For the year ended December 31, 2020, net interest income (FTE) (+) was $566.8 million, an increase of $17.9 million from the prior year. The increases in both net interest income and net interest income (FTE) (+) were primarily the result of a decline in cost of funds and loan accretion recognized on PPP loans, partially offset by a decline in overall loan and investment yields. For the year ended December 31, 2020, PPP loan accretion totaled $32.5 million. Net accretion related to acquisition accounting decreased $1.5 million from $25.3 million for the year ended December 31, 2019 to $23.8 million for the year ended December 31, 2020. For the year ended December 31, 2020, net interest margin decreased 35 bps and net interest margin (FTE) (+) decreased 37 bps, compared to the year ended December 31, 2019. The net decline in net interest margin and net interest margin (FTE) (+) measures were primarily driven by a decrease in the yield on interest-earning assets, partially offset by a decrease in cost of funds and an increase in loan accretion on PPP loans. The decline in the Company's earning asset yields was primarily driven by declines in loan and investment securities yields, as a result of the decrease in market interest rates. The cost of funds decline was driven by lower deposit costs and wholesale borrowing costs driven by lower market interest rates and a favorable funding mix.

The following table shows interest income on earning assets and related average yields as well as interest expense on interest-bearing liabilities and related average rates paid for the years indicated (dollars in thousands):

AVERAGE BALANCES, INCOME AND EXPENSES, YIELDS AND RATES (TAXABLE EQUIVALENT BASIS)

	For the Year Ended December 31,								
	2021			2020			2019		
	Average Balance	Interest Income / Expense (1)	Yield / Rate (1)(2)	Average Balance	Interest Income / Expense (1)	Yield / Rate (1)(2)	Average Balance	Interest Income / Expense (1)	Yield / Rate (1)(2)
Assets:									
Securities:									
Taxable	$ 2,170,983	$ 43,859	2.02 %	$ 1,719,795	$ 43,585	2.53 %	$ 1,676,918	$ 51,437	3.07 %
Tax-exempt	1,408,395	49,210	3.49 %	1,106,709	42,694	3.86 %	986,266	40,574	4.11 %
Total securities	3,579,378	93,069	2.60 %	2,826,504	86,279	3.05 %	2,663,184	92,011	3.45 %
Loans, net [3] [4]	13,639,325	509,757	3.74 %	13,777,467	575,575	4.18 %	11,949,171	612,250	5.12 %
Other earning assets	684,968	2,124	0.31 %	454,824	3,147	0.69 %	268,787	6,192	2.30 %
Total earning assets	17,903,671	$ 604,950	3.38 %	17,058,795	$ 665,001	3.90 %	14,881,142	$ 710,453	4.77 %
Allowance for credit losses	(128,100)			(147,633)			(43,797)		
Total non-earning assets	2,201,980			2,172,691			2,002,965		
Total assets	$ 19,977,551			$ 19,083,853			$ 16,840,310		
Liabilities and Stockholders' Equity:									
Interest-bearing deposits:									
Transaction and money market accounts	$ 8,254,615	$ 6,669	0.08 %	$ 7,569,749	$ 29,675	0.39 %	$ 6,249,053	$ 62,937	1.01 %
Regular savings	1,029,476	226	0.02 %	815,191	497	0.06 %	747,356	1,273	0.17 %
Time deposits [5]	2,201,039	20,222	0.92 %	2,643,229	45,771	1.73 %	2,627,987	50,762	1.93 %
Total interest-bearing deposits	11,485,130	27,117	0.24 %	11,028,169	75,943	0.69 %	9,624,396	114,972	1.19 %
Other borrowings [6]	453,452	13,982	3.08 %	1,215,676	22,213	1.83 %	1,656,426	46,488	2.81 %
Total interest-bearing liabilities	11,938,582	$ 41,099	0.34 %	12,243,845	$ 98,156	0.80 %	11,280,822	$ 161,460	1.43 %
Noninterest-bearing liabilities:									
Demand deposits	5,056,156			3,922,126			2,891,156		
Other liabilities	257,483			341,510			216,897		
Total liabilities	17,252,221			16,507,481			14,388,875		
Stockholders' equity	2,725,330			2,576,372			2,451,435		
Total liabilities and stockholders' equity	$ 19,977,551			$ 19,083,853			$ 16,840,310		
Net interest income		$ 563,851			$ 566,845			$ 548,993	
Interest rate spread			3.04 %			3.10 %			3.34 %
Cost of funds			0.23 %			0.58 %			1.08 %
Net interest margin			3.15 %			3.32 %			3.69 %

(1) *Income and yields are reported on a taxable equivalent basis using the statutory federal corporate tax rate of 21%.*

(2) *Rates and yields are calculated from actual, not rounded amounts in thousands, which appear above.*

(3) *Nonaccrual loans are included in average loans outstanding.*

(4) *Interest income on loans includes $17.0 million, $24.3 million, and $24.8 million for the years ended December 31, 2021, 2020, and 2019, respectively, in accretion of the fair market value adjustments related to acquisitions.*

(5) *Interest expense on time deposits includes $13,000, $132,000, and $833,000 for the years ended December 31, 2021, 2020, and 2019, respectively, in accretion of the fair market value adjustments related to acquisitions.*

(6) *Interest expense on borrowings includes $806,000, $633,000, and $360,000 for the years ended December 31, 2021, 2020, and 2019 in amortization of the fair market value adjustments related to acquisitions. Interest expenses on borrowings, for the year ended December 31, 2021, also includes $1.0 million in acceleration of the unamortized discount on the redeemed $150 million fixed-to-floating rate subordinated notes that were due to mature in 2026.*

The Volume Rate Analysis table below presents changes in interest income and interest expense and distinguishes between the changes related to increases or decreases in average outstanding balances of interest-earning assets and interest-bearing liabilities (volume), and the changes related to increases or decreases in average interest rates on such assets and liabilities (rate). Changes attributable to both volume and rate have been allocated proportionally. Results, on a taxable equivalent basis, are as follows in this Volume Rate Analysis table for the years ended December 31, (dollars in thousands):

	2021 vs. 2020 Increase (Decrease) Due to Change in:			2020 vs. 2019 Increase (Decrease) Due to Change in:		
	Volume	Rate	Total	Volume	Rate	Total
Earning Assets:						
Securities:						
Taxable	$ 10,126	$ (9,852)	$ 274	$ 1,286	$ (9,138)	$ (7,852)
Tax-exempt	10,823	(4,307)	6,516	4,751	(2,631)	2,120
Total securities	20,949	(14,159)	6,790	6,037	(11,769)	(5,732)
Loans, net [(1)]	(5,718)	(60,100)	(65,818)	85,839	(122,514)	(36,675)
Other earning assets	1,172	(2,195)	(1,023)	2,795	(5,840)	(3,045)
Total earning assets	$ 16,403	$ (76,454)	$ (60,051)	$ 94,671	$ (140,123)	$ (45,452)
Interest-Bearing Liabilities:						
Interest-Bearing Deposits:						
Transaction and money market accounts	$ 2,467	$ (25,473)	$ (23,006)	$ 11,213	$ (44,475)	$ (33,262)
Regular savings	107	(378)	(271)	106	(882)	(776)
Time deposits [(2)]	(6,713)	(18,836)	(25,549)	293	(5,284)	(4,991)
Total interest-bearing deposits	(4,139)	(44,687)	(48,826)	11,612	(50,641)	(39,029)
Other borrowings [(3)]	(18,494)	10,263	(8,231)	(10,501)	(13,774)	(24,275)
Total interest-bearing liabilities	(22,633)	(34,424)	(57,057)	1,111	(64,415)	(63,304)
Change in net interest income	$ 39,036	$ (42,030)	$ (2,994)	$ 93,560	$ (75,708)	$ 17,852

(1) *The rate-related change in interest income on loans includes the impact of lower accretion of the acquisition-related fair market value adjustments of $7.3 million and $520,000 for the 2021 vs. 2020 and 2020 vs. 2019 change, respectively.*

(2) *The rate-related change in interest expense on deposits includes the impact of lower accretion of the acquisition-related fair market value adjustments of $119,000 and $701,000 for the 2021 vs. 2020 and 2020 vs 2019 change, respectively.*

(3) *The rate-related change in interest expense on other borrowings includes the impact of higher amortization of the acquisition-related fair market value adjustments of $173,000 and $273,000 for the 2021 vs. 2020 and 2020 vs. 2019 change, respectively. The year ended December 31, 2021, also included the impact of the $1.0 million acceleration of unamortized discount on the redemption of the $150 million fixed-to-floating rate subordinated notes that were due to mature in 2026.*

The Company's net interest margin (FTE)[(+)] includes the impact of acquisition accounting fair value adjustments. The impact of net accretion for 2019, 2020, and 2021 are reflected in the following table (dollars in thousands):

	Loans Accretion	Deposit Accretion	Borrowings Accretion	Total
For the year ended December 31, 2019	$ 24,846	833	(360)	25,319
For the year ended December 31, 2020	24,326	132	(633)	23,825
For the year ended December 31, 2021	**17,044**	**13**	**(806)**	**16,251**

Noninterest Income

	For the Year Ended December 31,		Change	
	2021	2020	$	%
	(Dollars in thousands)			
Noninterest income:				
Service charges on deposit accounts	**$ 27,122**	$ 25,251	$ 1,871	7.4 %
Other service charges, commissions and fees	**6,595**	6,292	303	4.8 %
Interchange fees	**8,279**	7,184	1,095	15.2 %
Fiduciary and asset management fees	**27,562**	23,650	3,912	16.5 %
Mortgage banking income	**21,022**	25,857	(4,835)	(18.7)%
Gains on securities transactions	**87**	12,294	(12,207)	(99.3)%
Bank owned life insurance income	**11,488**	9,554	1,934	20.2 %
Loan-related interest rate swap fees	**5,620**	15,306	(9,686)	(63.3)%
Other operating income	**18,031**	6,098	11,933	195.7 %
Total noninterest income	**$ 125,806**	$ 131,486	$ (5,680)	(4.3)%

For the year ended December 31, 2021, noninterest income decreased $5.7 million or 4.3% to $125.8 million from $131.5 million for the year ended December 31, 2020. Excluding the gain from the sale of Visa, Inc. Class B common stock ($5.1 million for the year ended December 31, 2021 compared to $0 in the prior year), gains on securities transactions ($87,000 for the year ended December 31, 2021 compared to $12.3 million in the prior year) and losses related to balance sheet repositioning ($0 for the year ended December 31, 2021 compared to gains of $1.8 million in the prior year), adjusted operating noninterest income(+) for the year ended December 31, 2021 declined by $379,000 or 0.31% from the prior year. The slight net decrease in adjusted operating noninterest income(+) from the prior year was driven by a decline of $9.7 million in loan-related interest rate swap fees due to lower transaction volumes and a decline of $4.8 million in mortgage banking income due to lower mortgage origination volumes; largely offset by increases of $5.8 million in unrealized gains on equity method investments, an increase of $3.9 million in fiduciary and asset management fees due to market driven increases in assets under management, higher BOLI of $1.9 million primarily due to life insurance proceeds received in 2021, increases of $1.9 million in service charges on deposit accounts, and $1.1 million in interchange fees due to higher transaction volumes.

	For the Year Ended December 31,		Change	
	2020	2019[1]	$	%
	(Dollars in thousands)			
Noninterest income:				
Service charges on deposit accounts	$ 25,251	$ 30,202	$ (4,951)	(16.4)%
Other service charges, commissions and fees	6,292	6,423	(131)	(2.0)%
Interchange fees	7,184	14,619	(7,435)	(50.9)%
Fiduciary and asset management fees	23,650	23,365	285	1.2 %
Mortgage banking income	25,857	10,303	15,554	151.0 %
Gains on securities transactions	12,294	7,675	4,619	60.2 %
Bank owned life insurance income	9,554	8,311	1,243	15.0 %
Loan-related interest rate swap fees	15,306	14,126	1,180	8.4 %
Other operating income	6,098	17,791	(11,693)	(65.7)%
Total noninterest income	$ 131,486	$ 132,815	$ (1,329)	(1.0)%

[1] *The 2019 information presented excludes discontinued operations. Refer to Note 1 “Summary of Significant Accounting Policies” in Item 8 “Financial Statements and Supplementary Data” of this Form 10-K for further discussion regarding discontinued operations.*

For the year ended December 31, 2020, noninterest income decreased $1.3 million or 1.0% to $131.5 million from $132.8 million for the year ended December 31, 2019. Excluding gains on sales of securities and gains related to balance sheet repositioning, adjusted operating noninterest income(+) for the year ended December 31, 2020 decreased $4.2 million or 3.3%, compared to the year ended December 31, 2019, primarily driven by approximately $9.3 million in life insurance proceeds received during the third quarter of 2019 related to a Xenith-acquired loan that had been charged off prior to the Company's acquisition of Xenith. In addition, there was a decline in service charges on deposit accounts of $5.0 million primarily due to lower NSF and overdraft fees, and a decline of $7.4 million in interchange fees primarily due to reduced debit card interchange transaction fees as a result of the Durbin Amendment which was effective for the Company on July 1, 2019. Partially offsetting these decreases was an increase of $1.2 million in loan related interest rate swap income and an increase in bank owned life insurance income of $1.2 million primarily related to death benefit proceeds received during the third quarter of 2020. In addition, mortgage banking income increased $15.6 million primarily due to increased mortgage loan origination volumes resulting from the current low interest rate environment.

Noninterest Expense

	For the Year Ended December 31,		Change	
	2021	**2020**	**$**	**%**
	(Dollars in thousands)			
Noninterest expense:				
Salaries and benefits	**$ 214,929**	$ 206,662	$ 8,267	4.0 %
Occupancy expenses	**28,718**	28,841	(123)	(0.4)%
Furniture and equipment expenses	**15,950**	14,923	1,027	6.9 %
Technology and data processing	**30,200**	25,929	4,271	16.5 %
Professional services	**17,841**	13,007	4,834	37.2 %
Marketing and advertising expense	**9,875**	9,886	(11)	(0.1)%
FDIC assessment premiums and other insurance	**9,482**	9,971	(489)	(4.9)%
Other taxes	**17,740**	16,483	1,257	7.6 %
Loan-related expenses	**7,004**	9,515	(2,511)	(26.4)%
Amortization of intangible assets	**13,904**	16,574	(2,670)	(16.1)%
Loss on debt extinguishment	**14,695**	31,116	(16,421)	(52.8)%
Other expenses	**38,857**	30,442	8,415	27.6 %
Total noninterest expense	**$ 419,195**	$ 413,349	$ 5,846	1.4 %

For the year ended December 31, 2021, noninterest expense increased $5.8 million or 1.4% to $419.2 million from $413.3 million for the year ended December 31, 2020. Excluding amortization of intangible assets ($13.9 million for the year ended December 31, 2021 compared to $16.6 million in the prior year), losses related to balance sheet repositioning ($14.7 million for the year ended December 31, 2021 compared to $31.1 million in the prior year) and branch closing and facility consolidation costs ($17.4 million for the year ended December 31, 2021 compared to $6.8 million in the prior year), adjusted operating noninterest expense(+) for the year ended December 31, 2021 increased $14.3 million or 4.0%, compared to the year ended December 31, 2020, due to an increase of $8.3 million in salaries and benefits primarily driven by higher salaries, wages, and contract labor costs, $4.8 million in professional services costs due to an increase in legal and consulting fees associated with various strategic initiatives, $4.3 million in technology and data processing expenses primarily driven by higher software licensing and maintenance expenses, and a contract termination cost of approximately $900,000. The increases were partially offset by a decline in loan-related expenses of approximately $2.5 million driven by lower third party loan servicing costs compared to the prior year.

	For the Year Ended December 31,		Change	
	2020	2019[1]	$	%
	(Dollars in thousands)			
Noninterest expense:				
Salaries and benefits	$ 206,662	$ 195,349	$ 11,313	5.8 %
Occupancy expenses	28,841	29,793	(952)	(3.2)%
Furniture and equipment expenses	14,923	14,216	707	5.0 %
Technology and data processing	25,929	23,686	2,243	9.5 %
Professional services	13,007	11,905	1,102	9.3 %
Marketing and advertising expense	9,886	11,566	(1,680)	(14.5)%
FDIC assessment premiums and other insurance	9,971	6,874	3,097	45.1 %
Other taxes	16,483	15,749	734	4.7 %
Loan-related expenses	9,515	10,043	(528)	(5.3)%
OREO and credit-related expenses	2,023	4,708	(2,685)	(57.0)%
Amortization of intangible assets	16,574	18,521	(1,947)	(10.5)%
Merger-related costs	—	27,824	(27,824)	(100.0)%
Rebranding expense	—	6,455	(6,455)	(100.0)%
Loss on debt extinguishment	31,116	16,397	14,719	89.8 %
Other expenses	28,419	25,254	3,165	12.5 %
Total noninterest expense	$ 413,349	$ 418,340	$ (4,991)	(1.2)%

[1] *The 2019 information presented excludes discontinued operations. Refer to Note 1 "Summary of Significant Accounting Policies" in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K for further discussion regarding discontinued operations.*

For the year ended December 31, 2020, noninterest expense decreased $5.0 million or 1.2% to $413.3 million from $418.3 million for the year ended December 31, 2019. Excluding merger-related costs, amortization of intangible assets, rebranding-related costs, losses related to balance sheet repositioning, and branch closing and facility consolidation costs, adjusted operating noninterest expense[(+)] for the year ended December 31, 2020 increased $9.8 million or 2.8%, compared to the year ended December 31, 2019, primarily driven by an increase of $11.3 million in salaries and benefits driven by the full year impact of the Access acquisition, annual merit adjustments, and increased costs of benefits. In addition, there was an increase in FDIC assessment premiums of $3.1 million, primarily due to $3.8 million in FDIC small bank assessment expense credits received during 2019. Noninterest expense also included approximately $2.1 million in costs related to the Company's response to COVID-19 incurred during the year ended December 31, 2020. The increases were partially offset by a decline in OREO and credit-related expenses of approximately $2.7 million due to lower OREO valuation adjustments and a decline in marketing and advertising expense of $1.7 million.

Income Taxes

The provision for income taxes is based upon the results of operations, adjusted for the effect of certain tax-exempt income and non-deductible expenses. In addition, certain items of income and expense are reported in different periods for financial reporting and tax return purposes. The tax effects of these temporary differences are recognized currently in the deferred income tax provision or benefit. Deferred tax assets or liabilities are computed based on the difference between the financial statement and income tax bases of assets and liabilities using the applicable enacted marginal tax rate.

The effective tax rate for the years ended December 31, 2021, 2020, and 2019 was 17.2%, 15.1% and 16.2%, respectively. The increase in the effective rate for the year ended December 31, 2021 is primarily due to the lower proportion of tax-exempt income to pre-tax income.

BALANCE SHEET

Assets

At December 31, 2021, total assets were $20.1 billion, an increase of $436.3 million or approximately 2.2% from December 31, 2020. The increase in assets was primarily a result of net growth in the investment securities portfolio and higher cash balances reflecting the impact of excess liquidity in the market, partially offset by a decline in the loan portfolio, mainly due to PPP loan forgiveness, which was partially offset by organic loan growth.

LHFI (net of deferred fees and costs) were $13.2 billion, including $150.4 million in PPP loans, at December 31, 2021, a decrease of $825.5 million or 5.9% from December 31, 2020. Excluding the effects of the PPP [(+)], LHFI (net of deferred fees and costs) at December 31, 2021 increased $203.7 million or 1.6% from December 31, 2020. Average loan balances decreased $138.1 million in 2021 or 1.0%, from December 31, 2020. Excluding the effects of the PPP [(+)], average loan balances at December 31, 2021 increased $89.0 million or 0.7% from December 31, 2020. For additional information on the Company's loan activity, please refer to section "Loan Portfolio" included within this Item 7 and Note 4 "Loans and Allowance for Loan and Lease Losses" in the "Notes to Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K.

Liabilities and Stockholders' Equity

At December 31, 2021, total liabilities were $17.4 billion, an increase of $434.8 million from December 31, 2020.

Total deposits at December 31, 2021 were $16.6 billion, an increase of $888.3 million or approximately 5.6% from December 31, 2020. Average deposits at December 31, 2021 increased $1.6 billion or 10.6% from December 31, 2020. The increase from prior year was primarily due to additional liquidity of bank customers due to higher levels of government assistance programs since the start of COVID-19 and increased savings. For additional information on this topic, see section "Deposits" included within this Item 7.

Total short-term and long-term borrowings at December 31, 2021 were $506.6 million, a decrease of $334.1 million or 39.7% when compared to $840.7 million at December 31, 2020. The Company prepaid a $200.0 million long-term FHLB advance during the first quarter of 2021. At December 31, 2021, the Company did not have any outstanding federal funds purchased or advances with the FHLB balances as compared to $150.0 million and $100.0 million, respectively, at December 31, 2020. In addition, during the fourth quarter of 2021, the Company issued $250.0 million of the 2031 Notes at par resulting in net proceeds, after underwriting discounts and offering expenses, of approximately $246.9 million. The Company used a portion of the net proceeds from the 2031 Notes issuance to redeem its then-outstanding $150 million of 5.00% fixed-to-floating rate subordinated notes that were due to mature in 2026. For additional information on the Company's borrowing activity, please refer to Note 9 "Borrowings" in the "Notes to Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K.

At December 31, 2021, stockholders' equity was $2.7 billion, an increase of $1.6 million from December 31, 2020. The net increase in stockholders' equity reflects the impact of earnings retained by the Company during 2021, partially offset by share repurchases, dividends, and other comprehensive losses, primarily related to losses on agency MBS held in the Company's AFS portfolio. The Company's capital ratios continue to exceed the minimum capital requirements and is considered "well-capitalized" for regulatory purposes. The following table summarizes the Company's regulatory capital ratios for the periods ended December 31, (dollars in thousands):

	2021	2020
Common equity Tier 1 capital ratio	10.24 %	10.26 %
Tier 1 capital ratio	11.33 %	11.39 %
Total capital ratio	14.18 %	14.00 %
Leverage ratio (Tier 1 capital to average assets)	9.01 %	8.95 %
Common equity to total assets	12.68 %	12.95 %
Tangible common equity to tangible assets	8.20 %	8.31 %

During 2021, the Company declared and paid dividends on the outstanding shares of Series A Preferred Stock of $687.52 per share (equivalent to $1.72 per outstanding depositary share). During 2021, the Company also declared and paid cash dividends of $1.09 per common share, an increase of $0.09 per share, or 9.0%, over cash dividends paid in 2020.

On December 10, 2021, the Company's Board of Directors authorized a share Repurchase Program to purchase up to $100 million of the Company's common stock in open market transactions or privately negotiated transactions, including pursuant to a trading plan in accordance with Rule 10b5-1 and/or Rule 10b-18 under the Exchange Act. This new Repurchase Program replaced the prior $125 million share repurchase authorization that was fully utilized by September 30, 2021 and was otherwise due to expire on June 30, 2022. There were no share repurchase transactions under the new Repurchase Program for the year ended December 31, 2021.

Securities

At December 31, 2021, the Company had total investments in the amount of $4.2 billion or 20.9% of total assets, as compared to $3.2 billion or 16.2% of total assets at December 31, 2020. The Company seeks to diversify its portfolio to minimize risk. It focuses on purchasing MBS for cash flow and reinvestment opportunities and securities issued by states and political subdivisions due to the tax benefits and the higher yield offered from these securities. The majority of the Company's MBS are agency-backed securities, which have a government guarantee. For information regarding the hedge transaction related to AFS securities, see Note 11 "Derivatives" in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K.

The table below sets forth a summary of the AFS securities, HTM securities, and restricted stock as of the dates indicated (dollars in thousands):

	December 31, 2021	December 31, 2020
Available for Sale:		
U.S. government and agency securities	**$ 73,849**	$ 13,394
Obligations of states and political subdivisions	**1,008,396**	837,326
Corporate and other bonds	**153,376**	151,078
MBS		
Commercial	**471,157**	388,684
Residential	**1,773,232**	1,148,312
Total MBS	**2,244,389**	1,536,996
Other securities	**1,640**	1,625
Total AFS securities, at fair value	**3,481,650**	2,540,419
Held to Maturity:		
U.S. government and agency securities	**2,604**	2,751
Obligations of states and political subdivisions	**620,873**	536,767
MBS		
Commercial	**4,523**	5,333
Residential	**—**	—
Total MBS	**4,523**	5,333
Total held to maturity securities, at carrying value	**628,000**	544,851
Restricted Stock:		
Federal Reserve Bank stock	**67,032**	67,032
FHLB stock	**9,793**	27,750
Total restricted stock, at cost	**76,825**	94,782
Total investments	**$ 4,186,475**	$ 3,180,052

The following table summarizes the weighted average yields for AFS securities by contractual maturity date of the underlying securities as of December 31, 2021:

	1 Year or Less	1 - 5 Years	5 – 10 Years	Over 10 Years	Total
U.S. government and agency securities	**— %**	**— %**	**1.48 %**	**— %**	**1.48 %**
Obligations of states and political subdivisions	**4.92 %**	**2.79 %**	**2.66 %**	**2.77 %**	**2.77 %**
Corporate bonds and other securities	**0.97 %**	**4.17 %**	**4.04 %**	**1.81 %**	**3.75 %**
MBS:					
Commercial	**3.32 %**	**3.24 %**	**2.47 %**	**1.96 %**	**2.38 %**
Residential	**3.12 %**	**2.36 %**	**2.34 %**	**1.80 %**	**1.83 %**
Total MBS	**3.32 %**	**3.12 %**	**2.38 %**	**1.83 %**	**1.94 %**
Total AFS securities	**3.31 %**	**3.17 %**	**2.83 %**	**2.12 %**	**2.25 %**

The following table summarizes the weighted average yields for HTM securities by contractual maturity date of the underlying securities as of December 31, 2021:

	1 Year or Less	1 - 5 Years	5 – 10 Years	Over 10 Years	Total
U.S. government and agency securities	**4.19** %	**-** %	**4.04** %	**-** %	**4.13** %
Obligations of states and political subdivisions	**2.20** %	**2.60** %	**4.35** %	**3.78** %	**3.78** %
MBS:					
Commercial	— %	— %	— %	**4.96** %	**4.96** %
Residential	— %	— %	— %	— %	— %
Total MBS	— %	— %	— %	**4.96** %	**4.96** %
Total HTM securities	**3.19** %	**2.60** %	**4.33** %	**3.79** %	**3.79** %

Weighted average yield is calculated as the tax-equivalent yield on a pro rata basis for each security based on its relative amortized cost. Yields on tax-exempt securities have been computed on a tax-equivalent basis.

As of December 31, 2021, the Company maintained a diversified municipal bond portfolio with approximately 64% of its holdings in general obligation issues and the remainder primarily backed by revenue bonds. Issuances within the State of Texas represented 19% of total municipal bonds; no other state had a concentration above 10%. Substantially all municipal holdings are considered investment grade. When purchasing municipal securities, the Company focuses on strong underlying ratings for general obligation issuers or bonds backed by essential service revenues.

Loan Portfolio

LHFI, net of deferred fees and costs, were $13.2 billion and $14.0 billion at December 31, 2021 and December 31, 2020, respectively. Commercial & industrial loans and commercial real estate-non-owner occupied loans represented the Company's largest categories at December 31, 2021. Commercial & industrial loans included approximately $145.3 million and $1.2 billion in loans from the PPP loan program (net of deferred fees) at December 31, 2021 and December 31, 2020, respectively.

The following table presents the remaining maturities, based on contractual maturity, by loan type and by rate type (variable or fixed), as of December 31, 2021 (dollars in thousands):

			Variable Rate				Fixed Rate			
	Total Maturities	Less than 1 year	Total	1-5 years	5-15 years	More than 15 years	Total	1-5 years	5-15 years	More than 15 years
Construction and Land Development	$ 862,236	$ 344,872	$ 369,560	$ 320,639	$ 47,646	$ 1,275	$ 147,804	$ 96,199	$ 23,528	$ 28,077
Commercial Real Estate - Owner Occupied	1,995,409	188,180	616,759	131,106	466,190	19,463	1,190,470	488,635	670,936	30,899
Commercial Real Estate - Non-Owner Occupied	3,789,377	391,123	2,017,040	874,756	1,103,582	38,702	1,381,214	963,481	360,819	56,914
Multifamily Real Estate	778,626	110,344	435,891	101,684	334,207	—	232,391	164,156	68,235	—
Commercial & Industrial	2,542,243	388,432	1,221,312	997,881	216,506	6,925	932,499	614,082	307,365	11,052
Residential 1-4 Family - Commercial	607,337	98,217	121,869	31,376	80,058	10,435	387,251	283,106	91,448	12,697
Residential 1-4 Family - Consumer	816,524	5,099	201,405	2,071	29,283	170,051	610,020	8,434	71,349	530,237
Residential 1-4 Family - Revolving	560,796	33,921	499,081	37,512	135,248	326,321	27,794	1,522	12,217	14,055
Auto	461,052	3,150	—	—	—	—	457,902	186,588	271,314	—
Consumer	176,992	12,131	27,763	24,920	2,096	747	137,098	53,400	57,276	26,422
Other Commercial	605,251	45,759	87,239	9,461	40,343	37,435	472,253	167,190	195,150	109,913
Total LHFI	$ 13,195,843	$ 1,621,228	$ 5,597,919	$ 2,531,406	$ 2,455,159	$ 611,354	$ 5,976,696	$ 3,026,793	$ 2,129,637	$ 820,266

The Company remains committed to originating soundly underwritten loans to qualifying borrowers within its markets. As reflected in the loan table, at December 31, 2021, the largest components of the Company's loan portfolio consisted of commercial real estate, commercial & industrial, and construction and land development loans. The risks attributable to these concentrations are mitigated by the Company's credit underwriting and monitoring processes, including oversight by a centralized credit administration function and credit policy and risk management committee, as well as seasoned bankers focusing their lending to borrowers with proven track records in markets with which the Company is familiar.

Total short-term loan modifications related to COVID-19 are immaterial to the Company as a whole at December 31, 2021.

Asset Quality

Overview

At December 31, 2021, the Company experienced decreases of NPAs compared to December 31, 2020. Accruing past due loan levels as a percentage of total LHFI at December 31, 2021 were down as compared to the prior year end.

Net charge-offs decreased for the year ended December 31, 2021, compared to the prior year. Total net charge-offs as a percentage of total average loans also decreased for the year ended December 31, 2021, compared to the prior year. For the year ended December 31, 2021, the ACL and the provision for loan losses decreased from the prior year due to lower expected losses than previously estimated as a result of benign credit quality metrics, improvements in credit trends during the year, and an improved economic outlook.

The Company believes its continued proactive efforts to effectively manage its loan portfolio, combined with the unprecedented government stimulus and programs and regulatory support, have contributed to the sustained historically low levels of NPAs. The Company's efforts included identifying potential problem credits through early identification and diligent monitoring of specific problem credits where the uncertainty has been realized, or conversely, has been reduced or eliminated. The Company continues to refrain from originating or purchasing loans from foreign entities. The Company selectively originates loans to higher risk borrowers. The Company's loan portfolio generally does not include exposure to option adjustable rate mortgage products, high loan-to-value ratio mortgages, interest only mortgage loans, subprime mortgage loans or mortgage loans with initial teaser rates, which are all considered higher risk instruments.

As discussed within the "Significant Activities" section within this Item 7, COVID-19 has had, and may continue to have a wide range of economic impacts, even as the economy significantly opened up in 2021, including impacts in the Company's area of operations and on the Company's clients and borrowers. The Company, however, has not yet experienced material deterioration in asset quality as compared to asset quality before COVID-19. The Company's asset quality may in the future be adversely impacted to some degree due to the effects of COVID-19 (including the emergence and impact of new COVID-19 variants); although at this time it is impossible for the Company to estimate either the timing or the magnitude of any such adverse changes in asset quality. The Company continues to monitor asset quality trends and economic and market conditions for indications that COVID-19 may have more significant impacts on the Company's asset quality than experienced to date. As of December 31, 2021, the Company's management believes that the ultimate impact of COVID-19 on the Company's asset quality will be less severe than initially projected at the start of the pandemic.

Nonperforming Assets

At December 31, 2021, NPAs totaled $32.8 million, a decrease of $12.4 million or 27.5% from December 31, 2020. NPAs as a percentage of total outstanding loans at December 31, 2021 were 0.25%, a decrease of 7 bps from 0.32% at December 31, 2020. Excluding the impact of the PPP loans [(+)], NPAs as a percentage of total outstanding loans were 0.25%, a decrease of 10 bps from 0.35% at December 31, 2020.

The following table shows a summary of asset quality balances and related ratios as of and for the years ended December 31, (dollars in thousands):

	2021	2020
Nonaccrual loans	**$ 31,100**	$ 42,448
Foreclosed properties	**1,696**	2,773
Total NPAs	**32,796**	45,221
Loans past due 90 days and accruing interest	**9,132**	13,634
Total NPAs and loans past due 90 days and accruing interest	**$ 41,928**	$ 58,855
Performing TDRs	**$ 10,313**	$ 13,961
Balances		
Allowance for loan and lease losses	**$ 99,787**	$ 160,540
Allowance for credit losses	**$ 107,787**	$ 170,540
Average loans, net of deferred fees and costs	**13,639,325**	13,777,467
Loans, net of deferred fees and costs	**13,195,843**	14,021,314
Ratios		
Nonaccrual loans to total loans	**0.24 %**	0.30 %
NPAs to total loans	**0.25 %**	0.32 %
NPAs to total adjusted loans(+)	**0.25 %**	0.35 %
NPAs & loans 90 days past due and accruing interest to total loans	**0.32 %**	0.42 %
NPAs to total loans & foreclosed property	**0.25 %**	0.32 %
NPAs & loans 90 days past due and accruing interest to total loans & foreclosed property	**0.32 %**	0.42 %
ALLL to nonaccrual loans	**320.86 %**	378.20 %
ALLL to nonaccrual loans & loans 90 days past due and accruing interest	**248.03 %**	286.26 %
ACL to nonaccrual loans	**346.58 %**	401.76 %

NPAs at December 31, 2021 included $31.1 million in nonaccrual loans, a net decrease of $11.3 million or 26.7% from December 31, 2020. The following table shows the activity in nonaccrual loans for the years ended December 31, (dollars in thousands):

	2021	2020
Beginning Balance	**$ 42,448**	$ 28,232
Net customer payments	**(23,227)**	(17,418)
Additions	**13,454**	20,266
Impact of ASC 326 adoption	**—**	14,381
Charge-offs	**(1,436)**	(3,021)
Loans returning to accruing status	**(153)**	8
Transfers to foreclosed property	**14**	—
Ending Balance	**$ 31,100**	$ 42,448

The following table presents the composition of nonaccrual loans and the coverage ratio, which is the ALLL expressed as a percentage of nonaccrual loans, at the years ended December 31, (dollars in thousands):

	2021	2020
Construction and Land Development	**$ 2,697**	$ 3,072
Commercial Real Estate - Owner Occupied	**5,637**	7,128
Commercial Real Estate - Non-owner Occupied	**3,641**	2,317
Multifamily Real Estate	**113**	33
Commercial & Industrial	**1,647**	2,107
Residential 1-4 Family – Commercial	**2,285**	9,993
Residential 1-4 Family – Consumer	**11,397**	12,600
Residential 1-4 Family – Revolving	**3,406**	4,629
Auto	**223**	500
Consumer	**54**	69
Total	**$ 31,100**	$ 42,448
Coverage Ratio[(1)]	**320.86 %**	378.20 %

(1) *Represents the ALLL divided by nonaccrual loans.*

NPAs at December 31, 2021 also included $1.7 million in foreclosed property, a decrease of $1.1 million or 38.8% from the prior year. The following table shows the activity in foreclosed property for the years ended December 31, (dollars in thousands):

	2021	2020
Beginning Balance	**$ 2,773**	$ 4,708
Additions of foreclosed property	**14**	615
Valuation adjustments	**—**	(79)
Proceeds from sales	**(991)**	(2,520)
Gains (losses) from sales	**(100)**	49
Ending Balance	**$ 1,696**	$ 2,773

The following table presents the composition of the foreclosed property portfolio at the years ended December 31, (dollars in thousands):

	2021	2020
Land	**$ 728**	$ 1,227
Land Development	**894**	1,323
Residential Real Estate	**74**	60
Commercial Real Estate	**—**	163
Total	**$ 1,696**	$ 2,773

Past Due Loans

At December 31, 2021 past due loans still accruing interest totaled $29.9 million or 0.23% of total LHFI, compared to $49.8 million or 0.36% of total LHFI at December 31, 2020. Of the total past due loans still accruing interest $9.1 million or 0.07% of total LHFI were loans past due 90 days or more at December 31, 2021, compared to $13.6 million or 0.10% of total LHFI at December 31, 2020.

Troubled Debt Restructurings

A modification of a loan's terms constitutes a TDR if the creditor grants a concession that it would not otherwise consider to the borrower for economic or legal reasons related to the borrower's financial difficulties. Management strives to identify borrowers in financial difficulty early and work with them to modify their loan to more affordable terms before their loan reaches nonaccrual status. These modified terms may include rate reductions, extension of terms that are considered to be below market, conversion to interest only, principal forgiveness and other actions intended to minimize the economic loss and to avoid foreclosure or repossession of the collateral.

The total recorded investment in TDRs at December 31, 2021 was $18.0 million, a decrease of $2.7 million or 12.9% from $20.6 million at December 31, 2020. Of the $18.0 million of TDRs at December 31, 2021, $10.3 million or 57.4% were considered performing while the remaining $7.6 million were considered nonperforming. Of the $20.6 million of TDRs at December 31, 2020, $14.0 million or 68.0% were considered performing while the remaining $6.6 million were considered nonperforming. Loans are removed from TDR status in accordance with the established policy described in Note 1 "Summary of Significant Accounting Policies" in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K.

For loan modifications made under the Joint Guidance and CARES Act, as amended by the CAA, refer to Note 1 "Summary of Significant Accounting Polices" in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K. this report.

Net Charge-offs

For the year ended December 31, 2021, net charge-offs of loans were $1.9 million or 0.01% of total average loans, compared to $11.4 million or 0.08% for the year ended December 31, 2020. The net charge-offs of loans for the years ended December 31, 2021 and 2020 continue to be insignificant, driven by benign credit impacts since the pandemic began.

Provision for Credit Losses

The Company recorded a negative provision for credit losses of $60.9 million for the year ended December 31, 2021, a decrease of $148.0 million or 169.9% from the prior year's provision for credit losses of $87.1 million. The provision for credit losses for the year ended December 31, 2021 reflected a negative provision of $58.9 million in provision for loan losses and negative $2.0 million in provision for unfunded commitments. The decrease in the provision for credit losses in the current year compared to the prior year was driven by the benign credit impacts since the pandemic began, the ongoing recovery in the economy since last year, and the improvement in the economic forecast utilized in estimating the ACL as of December 31, 2021.

Allowance for Credit Losses

At December 31, 2021, the ACL was $107.8 million and included an ALLL of $99.8 million and a RUC of $8.0 million. The ACL decreased $62.8 million from December 31, 2020 due to negative provisions for credit losses that were driven by lower expected losses than previously estimated as a result of benign credit quality metrics to date and an improved economic outlook due to the roll-out of COVID-19 vaccines, as well as additional government stimulus inclusive of more PPP funding.

The ACL as a percentage of the total loan portfolio was 0.82% at December 31, 2021, compared to 1.22% at December 31, 2020. The ACL as a percentage of adjusted loans [(+)] decreased 50 bps from December 31, 2020 to 0.83% at December 31, 2021.

The ALLL as a percentage of the total loan portfolio was 0.76% at December 31, 2021 and 1.14% at December 31, 2020. When excluding PPP loans [(+)], which are 100% guaranteed by the SBA, the ALLL as a percentage of adjusted loans decreased 49 bps from December 31, 2020 to 0.76% at December 31, 2021. The ratio of the ALLL to nonaccrual loans was 320.86% at December 31, 2021, compared to 378.20% at December 31, 2020.

The following table summarizes the ACL as of December 31, (dollars in thousands):

	2021	2020
Total ALLL	**$ 99,787**	$ 160,540
Total RUC	**8,000**	10,000
Total ACL	**$ 107,787**	$ 170,540
ALLL to total loans	**0.76 %**	1.14 %
ALLL to adjusted loans(+)	**0.76 %**	1.25 %
ACL to total loans	**0.82 %**	1.22 %
ACL to adjusted loans(+)	**0.83 %**	1.33 %
Net charge-offs to average loans	**0.01 %**	0.08 %
Net charge-offs to adjusted loans(+)	**0.01 %**	0.09 %
Provision for loan losses to average loans	**(0.43)%**	0.60 %
Provision for loan losses to adjusted average loans(+)	**(0.46)%**	0.65 %

The following table summarizes the net-charge off and ACL activity by segment for the years ended of December 31, (dollars in thousands):

	2021			2020		
	Commercial	Consumer	Total	Commercial	Consumer	Total
Loans charged-off	**$ (5,186)**	**$ (4,897)**	**$ (10,083)**	$ (6,671)	$ (11,522)	$ (18,193)
Recoveries	**4,915**	**3,303**	**8,218**	3,517	3,238	6,755
Net charge-offs	**$ (271)**	**$ (1,594)**	**$ (1,865)**	$ (3,154)	$ (8,284)	$ (11,438)
Net charge-offs to average loans	**NM**	**0.08 %**	**0.01 %**	0.03 %	0.38 %	0.08 %
ACL	**$ 85,323**	**$ 22,464**	**$ 107,787**	$ 126,309	$ 44,231	$ 170,540
ACL to total loans	**0.76 %**	**1.11 %**	**0.82 %**	1.06 %	2.14 %	1.22 %

The decrease in the ACL for both loan segments is due to negative provisions for credit losses that were driven by lower expected losses than previously estimated as a result of benign credit quality metrics to date and an improved economic outlook due to the roll-out of COVID-19 vaccines, as well as additional government stimulus inclusive of more PPP funding.

The following table shows the ACL by loan segment and the percentage of the total loan portfolio that the related ACL covers as of December 31, (dollars in thousands):

	2021		2020	
	$	% (1)	$	%(1)
Commercial	**$ 85,323**	**84.7 %**	$ 126,309	85.2 %
Consumer	**22,464**	**15.3 %**	44,231	14.8 %
Total	**$ 107,787**	**100.0 %**	$ 170,540	100.0 %

(1) *The percent represents the loan balance divided by total loans.*

Deposits

As of December 31, 2021, total deposits were $16.6 billion, an increase of $888.3 million, or 5.6%, compared to December 31, 2020. Total interest-bearing deposits consist of NOW, money market, savings, and time deposit account balances. Total time deposit balances of $1.9 billion accounted for 16.3% of total interest-bearing deposits at December 31, 2021, compared to $2.6 billion and 22.7% at December 31, 2020.

The following table presents the deposit balances by major category as of December 31, (dollars in thousands):

	2021		2020	
Deposits:	Amount	% of total deposits	Amount	% of total deposits
Non-interest bearing	**$ 5,207,324**	**31.3 %**	$ 4,368,703	27.8 %
NOW accounts	**4,176,032**	**25.1 %**	3,621,181	23.0 %
Money market accounts	**4,249,858**	**25.6 %**	4,248,335	27.0 %
Savings accounts	**1,121,297**	**6.8 %**	904,095	5.8 %
Time deposits of $250,000 and over	**452,193**	**2.7 %**	1,532,082	9.7 %
Other time deposits	**1,404,364**	**8.5 %**	1,048,369	6.7 %
Total Deposits [1]	**$ 16,611,068**	**100.0 %**	$ 15,722,765	100.0 %

(1) *Includes uninsured deposits of $5.9 billion and $5.3 billion as of December 31, 2021 and December 31, 2020, respectively. Amounts are based on estimated amounts of uninsured deposits as of the reported period.*

The Company may also borrow additional funds by purchasing certificates of deposit through a nationally recognized network of financial institutions. The Company utilizes this funding source when rates are more favorable than other funding sources. As of December 31, 2021 and 2020, there were $0 and $145.9 million, respectively, purchased certificates of deposit included in certificates of deposit on the Company's Consolidated Balance Sheets. The reduced usage of purchase certificates of deposit in 2021 is due to the increase in customer deposits.

Maturities of time deposits in excess of FDIC insurance limits as of December 31, 2021 were as follows (dollars in thousands):

	Amount
Within 3 Months	**$ 42,696**
3 - 6 Months	**30,313**
6 - 12 Months	**101,942**
Over 12 Months	**104,242**
Total	**$ 279,193**

Capital Resources

Capital resources represent funds, earned or obtained, over which financial institutions can exercise greater or longer control in comparison with deposits and borrowed funds. The adequacy of the Company's capital is reviewed by management on an ongoing basis with reference to size, composition, and quality of the Company's resources and consistency with regulatory requirements and industry standards. Management seeks to maintain a capital structure that will assure an adequate level of capital to support anticipated asset growth and to absorb potential losses, yet allow management to effectively leverage its capital to maximize return to shareholders.

On June 9, 2020, the Company issued 6,900,000 depositary shares, each representing a 1/400th ownership interest in a share of its Series A preferred stock, with a liquidation preference of $10,000 per share of Series A preferred stock (equivalent to $25 per depositary share), including 900,000 depositary shares pursuant to the exercise in full by the underwriters of their option to purchase additional depositary shares. The total net proceeds to the Company were approximately $166.4 million, after deducting the underwriting discount and other offering expenses payable by the Company. The Company used the net proceeds of the offering for general corporate purposes in the ordinary course of its business, such as the repayment of debt, loan funding, acquisitions, additions to working capital, capital expenditures and investments in the Company's subsidiaries.

In 2019, the Company's Board of Directors authorized a share repurchase program to purchase up to $150.0 million of the Company's common stock through June 30, 2021 in open market transactions or privately negotiated transactions. On March 20, 2020, the Company suspended its share repurchase program, which had approximately $20.0 million remaining in authorization at the time of suspension and as of December 31, 2020. The Company repurchased an aggregate of approximately 3.7 million shares, at an average price of $35.48 per share, under the authorization prior to suspension.

On May 4, 2021, the Company's Board of Directors authorized a share repurchase program to purchase up to $125.0 million worth of the Company's common stock through June 30, 2022 in open market transactions or privately negotiated transactions, which was fully utilized as of September 30, 2021.

On December 10, 2021, the Company's Board of Directors authorized a share repurchase program to purchase up to $100.0 million of the Company's common stock through December 9, 2022 in open market transactions or privately negotiated transactions, including pursuant to a trading plan in accordance with Rule 10b5-1 and /or Rule 10b-18 under the Exchange Act. There were no share repurchase transactions under this new Repurchase Program for the year ended December 31, 2021. Refer to Note 21 "Subsequent Events" in the "Notes to Consolidated Financial Statements" contained in Item 8 of this Form 10-K for share repurchase transactions that occurred in 2022.

On January 28, 2022, the Company announced that its Board of Directors declared a quarterly dividend on the outstanding shares of its Series A preferred stock. The dividend of $171.88 per share (equivalent to $0.43 per outstanding depositary share) is payable on March 1, 2022 to preferred shareholders of record as of February 14, 2022. The Board also declared a quarterly dividend of $0.28 per share of common stock. The common stock dividend is payable on February 25, 2022 to common shareholders on record as of February 11, 2022.

The Federal Reserve requires the Company and the Bank to comply with the following minimum capital ratios: (i) a common equity Tier 1 capital ratio of 7.0% of risk-weighted assets; (ii) a Tier 1 capital ratio of 8.5% of risk-weighted assets; (iii) a total capital ratio of 10.5% of risk-weighted assets; and (iv) a leverage ratio of 4.0% of total assets. These ratios, with the exception of the leverage ratio, include a 2.5% capital conservation buffer, which is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of common equity Tier 1 to risk-weighted assets above the minimum but below the conservation buffer will face constraints on dividends, equity repurchases, and compensation based on the amount of the shortfall.

On March 27, 2020, the banking agencies issued an interim final rule that allows the Company to phase in the impact of adopting the CECL methodology up to two years, with a three-year transition period to phase out the cumulative benefit to regulatory capital provided during the two-year delay. The Company is allowed to include the impact of the CECL transition, which is defined as the CECL Day 1 impact to capital plus 25% of the Company's provision for credit losses during 2020, in regulatory capital through 2021. The Company elected to phase in the regulatory capital impact as permitted under the aforementioned interim final rule. Beginning in 2022, the transition amount will begin to impact regulatory capital by phasing it in over a three-year period ending in 2024.

The table summarizes the Company's regulatory capital and related ratios for the periods ended December 31, (dollars in thousands):

	2021	2020
Common equity Tier 1 capital	**$ 1,569,751**	$ 1,512,507
Tier 1 capital	**1,736,107**	1,678,863
Tier 2 capital	**437,435**	384,494
Total risk-based capital	**2,173,542**	2,063,356
Risk-weighted assets	**15,328,166**	14,739,253
Capital ratios:		
Common equity Tier 1 capital ratio	**10.24 %**	10.26 %
Tier 1 capital ratio	**11.33 %**	11.39 %
Total capital ratio	**14.18 %**	14.00 %
Leverage ratio (Tier 1 capital to average assets)	**9.01 %**	8.95 %
Capital conservation buffer ratio (1)	**5.33 %**	5.39 %
Common equity to total assets	**12.68 %**	12.95 %
Tangible common equity to tangible assets (+)	**8.20 %**	8.31 %

(1) *Calculated by subtracting the regulatory minimum capital ratio requirements from the Company's actual ratio results for Common equity, Tier 1, and Total risk-based capital. The lowest of the three measures represents the Company's capital conservation buffer ratio.*

(+) *Refer to "Non-GAAP Measures" within this Item 7 for more information about this non-GAAP financial measure, including a reconciliation of this measure to the most directly comparable financial measure calculated in accordance to GAAP.*

For more information about the Company's off-balance sheet obligations and cash requirements refer to section "Liquidity" included within this Item 7.

MARKET RISK

Interest Sensitivity

Market risk is the risk of loss arising from adverse changes in the fair value of financial instruments due to changes in interest rates, exchange rates, and equity prices. The Company's market risk is composed primarily of interest rate risk. The ALCO of the Company is responsible for reviewing the interest rate sensitivity position of the Company and establishing policies to monitor and limit exposure to this risk. The Company's Board of Directors reviews and approves the guidelines established by ALCO.

Interest rate risk is monitored through the use of three complementary modeling tools: static gap analysis, earnings simulation modeling, and economic value simulation (net present value estimation). Each of these models measures changes in a variety of interest rate scenarios. While each of the interest rate risk models has limitations, taken together they represent a reasonably comprehensive view of the magnitude of interest rate risk in the Company, the distribution of risk along the yield curve, the level of risk through time, and the amount of exposure to changes in certain interest rate relationships. Static gap, which measures aggregate re-pricing values, is less utilized because it does not effectively measure the options risk impact on the Company and is not addressed here. Earnings simulation and economic value models, which more effectively measure the cash flow and optionality impacts, are utilized by management on a regular basis and are explained below.

The Company determines the overall magnitude of interest sensitivity risk and then formulates policies and practices governing asset generation and pricing, funding sources and pricing, and off-balance sheet commitments. These decisions are based on management's expectations regarding future interest rate movements, the states of the national, regional and local economies, and other financial and business risk factors. The Company uses simulation modeling to measure and monitor the effect of various interest rate scenarios and business strategies on net interest income. This modeling reflects interest rate changes and the related impact on net interest income and net income over specified time horizons.

Earnings Simulation Analysis

Management uses simulation analysis to measure the sensitivity of net interest income to changes in interest rates. The model calculates an earnings estimate based on current and projected balances and rates. This method is subject to the accuracy of the assumptions that underlie the process, but it provides a better analysis of the sensitivity of earnings to changes in interest rates than other analyses, such as the static gap analysis discussed above.

Assumptions used in the model are derived from historical trends and management's outlook and include loan and deposit growth rates and projected yields and rates. These assumptions may not materialize and unanticipated events and circumstances may occur. The model also does not take into account any future actions of management to mitigate the impact of interest rate changes. Such assumptions are monitored by management and periodically adjusted as appropriate. All maturities, calls, and prepayments in the securities portfolio are assumed to be reinvested in like instruments. MBS prepayment assumptions are based on industry estimates of prepayment speeds for portfolios with similar coupon ranges and seasoning. Different interest rate scenarios and yield curves are used to measure the sensitivity of earnings to changing interest rates. Interest rates on different asset and liability accounts move differently when the prime rate changes and are reflected in the different rate scenarios.

The Company uses its simulation model to estimate earnings in rate environments where rates are instantaneously shocked up or down around a "most likely" rate scenario, based on implied forward rates and futures curves. The analysis assesses the impact on net interest income over a 12-month time horizon after an immediate increase or "shock" in rates, of 100 bps up to 300 bps. The model, under all scenarios, does not drop the index below zero.

The following table represents the interest rate sensitivity on net interest income for the Company across the rate paths modeled for balances at the period ended December 31, 2021 and 2020 (dollars in thousands):

	Change In Net Interest Income December 31,	
	2021	2020
	%	%
Change in Yield Curve:		
+300 basis points	**30.15**	16.20
+200 basis points	**20.39**	11.15
+100 basis points	**10.33**	5.63
Most likely rate scenario	**—**	—
-100 basis points	**(9.20)**	(2.66)
-200 basis points	**(13.62)**	(3.04)

Asset sensitivity indicates that in a rising interest rate environment the Company's net interest income would increase and in a decreasing interest rate environment the Company's net interest income would decrease. Liability sensitivity indicates that in a rising interest rate environment the Company's net interest income would decrease and in a decreasing interest rate environment the Company's net interest income would increase.

From a net interest income perspective, the Company was more asset sensitive as of December 31, 2021 compared to its position as of December 31, 2020. This shift is in part due to the changing market characteristics of certain loan and deposit products and in part due to various other balance sheet strategies. The Company would expect net interest income to increase with an immediate increase or shock in market rates. In the decreasing interest rate environments, the Company would expect a decline in net interest income as interest-earning assets re-price at lower rates and interest-bearing deposits remain at or near their floors.

Economic Value Simulation

Economic value simulation is used to calculate the estimated fair value of assets and liabilities over different interest rate environments. Economic values are calculated based on discounted cash flow analysis. The net economic value of equity is the economic value of all assets minus the economic value of all liabilities. The change in net economic value over different rate environments is an indication of the longer-term earnings capability of the balance sheet. The same assumptions are used in the economic value simulation as in the earnings simulation. The economic value simulation uses instantaneous rate shocks to the balance sheet.

The following chart reflects the estimated change in net economic value over different rate environments using economic value simulation for the balances at the period ended December 31, 2021 and 2020 (dollars in thousands):

	Change In Economic Value of Equity December 31,	
	2021	2020
	%	%
Change in Yield Curve:		
+300 basis points	**(6.85)**	2.78
+200 basis points	**(3.55)**	2.97
+100 basis points	**(1.22)**	2.57
Most likely rate scenario	**-**	—
-100 basis points	**(4.82)**	(4.67)
-200 basis points	**(12.89)**	(2.30)

As of December 31, 2021, the Company's economic value of equity is generally less asset sensitive in a rising interest rate environment compared to its position as of December 31, 2020 primarily due to the composition of the Consolidated Balance Sheets and due in part to the pricing characteristics and assumptions of certain deposits.

Liquidity

Liquidity represents an institution's ability to meet present and future financial obligations through either the sale or maturity of existing assets or the acquisition of additional funds through liability management. Liquid assets include cash, interest-bearing deposits with banks, money market investments, federal funds sold, LHFS, and securities and loans maturing or re-pricing within one year. Additional sources of liquidity available to the Company include its capacity to borrow additional funds when necessary through federal funds lines with several correspondent banks, a line of credit with the FHLB, the Federal Reserve Discount Window, the purchase of brokered certificates of deposit, corporate line of credit with a large correspondent bank, and debt and capital issuance. Management considers the Company's overall liquidity to be sufficient to satisfy its depositors' requirements and to meet its customers' credit needs.

As a result of adverse market conditions including the impacts of COVID-19, the Company has continued to see elevated customer deposit balances. These increased balances are due primarily to the combination of government stimulus programs, and customer expense and savings habits in response to the pandemic. As a result of the increases in customer deposits, the Company has reduced its wholesale borrowings during 2020 and 2021. The Company considers a portion of the increases in customer deposits to be temporary, which it expects will result in outflows in subsequent quarters.

Under the terms of the PPPLF, prior to that program's expiration, the Company could borrow funds which are secured by the Company's PPP loans. During 2020, the Company's borrowings pursuant to the PPPLF fluctuated; however, at its peak, the Company borrowed $200.5 million. The PPPLF expired on July 30, 2021, following an extension by the Federal Reserve from the previously scheduled expiration date of June 30, 2021.

In response to the current rate environment, the Company prepaid $550.0 million of long-term FHLB advances throughout 2020, which resulted in prepayment penalties of $31.2 million. Additionally, the Company sold several securities, which resulted in a gain of approximately $10.3 million during the second quarter of 2020, and redeemed $8.5 million in subordinated debt during the fourth quarter of 2020. Also in response to the low market interest rate environment, in February 2021 the Company prepaid a $200.0 million long-term FHLB advance, which resulted in a prepayment penalty of $14.7 million.

As of December 31, 2021, liquid assets totaled $5.4 billion or 26.7% of total assets, and liquid earning assets totaled $5.2 billion or 28.8% of total earning assets. Asset liquidity is also provided by managing loan and securities maturities and cash flows. As of December 31, 2021, loan payments of approximately $4.3 billion or 32.2% of total loans are expected within one year based on contractual terms, adjusted for expected prepayments, and approximately $285.7 million or 6.8% of total securities are scheduled to be paid down within one year based on contractual terms, adjusted for expected prepayments.

For additional information and the available balances on various lines of credit, please refer to Note 9 "Borrowings" in the "Notes to the Consolidated Financial Statements" contained in Items 8 "Financial Statements and Supplementary Data" of this Form 10-K. In addition to lines of credit, the Bank may also borrow additional funds by purchasing certificates of deposit through a nationally recognized network of financial institutions. For additional information and outstanding balances on purchased certificates of deposits, please refer to "Deposits" within this Item 7. For additional information on cash requirements for known contractual and other obligations, please refer to "Capital Resources" within this Item 7.

Cash Requirements

The Company's cash requirements outside of lending transactions relate primarily to borrowings, debt, and capital instruments which are used as part of the Company's overall liquidity and capital management strategy. Cash required to repay these obligations will be sourced from future debt and capital issuances and from other general liquidity sources as described above under "Liquidity" within this Item 7.

The following table presents the Company's contractual obligations related to its major cash requirements and the scheduled payments due at the various intervals over the next year and beyond as of December 31, 2021 (dollars in thousands):

	Total	Less than 1 year	More than 1 year
Long-term debt [1]	$ 250,000	$ —	$ 250,000
Trust preferred capital notes [1]	155,159	—	155,159
Leases [2]	65,655	12,644	53,011
Repurchase agreements	117,870	117,870	—
Total contractual obligations	$ 588,684	$ 130,514	$ 458,170

(1) *Excludes related unamortized premium/discount and interest payments.*

(2) *Represents lease payments due on non-cancellable operating leases at December 31, 2021. Excluded from these tables are variables lease payments or renewals.*

For more information pertaining to the previous table, reference Note 7 "Leases" and Note 9 "Borrowings" in the "Notes to the Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K

Off-Balance Sheet Obligations

In the normal course of business, the Company is a party to financial instruments with off-balance sheet risk to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates. These financial instruments include commitments to extend credit and letters of credit. These instruments involve elements of credit and interest rate risk in excess of the amount recognized in the Company's Consolidated Balance Sheets. The contractual amounts of these instruments reflect the extent of the Company's involvement in particular classes of financial instruments. For more information pertaining to these commitments, reference Note 10 "Commitments and Contingencies" in the "Notes to the Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K.

The Company's exposure to credit loss in the event of nonperformance by the other party to the financial instruments for commitments to extend credit and letters of credit written is represented by the contractual amount of these instruments. The Company uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments. Unless noted otherwise, the Company does not require collateral or other security to support off-balance sheet financial instruments with credit risk.

The following table represents the Company's other commitments with balance sheet or off-balance sheet risk as of December 31, (dollars in thousands):

	2021	2020
Commitments with off-balance sheet risk:		
Commitments to extend credit [1]	**$ 5,825,557**	$ 4,722,412
Letters of credit	**152,506**	161,827
Total commitments with off-balance sheet risk	**$ 5,978,063**	$ 4,884,239

[1] *Includes unfunded overdraft protection.*

The Company is also a lessor in sales-type and direct financing leases for equipment, as noted in Note 7 "Leases" in the Notes of the Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K. The Company's future commitments related to the aforementioned leases totaled $217 million and $151 million, respectively, at December 31, 2021 and 2020.

Impact of Inflation and Changing Prices

The Company's financial statements included in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K below have been prepared in accordance with GAAP, which requires the financial position and operating results to be measured principally in terms of historic dollars without considering the change in the relative purchasing power of money over time due to inflation. Inflation affects the Company's results of operations mainly through increased operating costs, but since nearly all of the Company's assets and liabilities are monetary in nature, changes in interest rates generally affect the financial condition of the Company to a greater degree than changes in the rate of inflation. Although interest rates are greatly influenced by changes in the inflation rate, they do not necessarily change at the same rate or in the same magnitude as the inflation rate. The Company's management reviews pricing of its products and services, in light of current and expected costs due to inflation, to mitigate the inflationary impact on financial performance.

NON-GAAP MEASURES

In this Form 10-K, the Company has provided supplemental performance measures on a tax-equivalent, tangible, operating, adjusted or pre-tax pre-provision basis. These non-GAAP financial measures are a supplement to GAAP, which is used to prepare the Company's financial statements and should not be considered in isolation or as a substitute for comparable measures calculated in accordance with GAAP. In addition, the Company's non-GAAP financial measures may not be comparable to non-GAAP financial measures of other companies. The Company uses the non-GAAP measures discussed herein in its analysis of the Company's performance. The Company's management believes that these non-GAAP financial measures provide additional understanding of ongoing operations, enhance comparability of results of operations with prior periods and show the effects of significant gains and changes in the periods presented without the impact of items or events that may obscure trends in the Company's underlying performance.

Net interest income (FTE), total revenue (FTE) and total adjusted revenue (FTE), which are used in computing net interest margin (FTE) and adjusted operating efficiency ratio (FTE), respectively, provide valuable additional insight into the net interest margin and the efficiency ratio by adjusting for differences in the tax treatment of interest income sources. The entire FTE adjustment is attributable to interest income on earning assets, which is used in computing the yield on earning assets. Interest expense and the related cost of interest-bearing liabilities and cost of funds ratios are not affected by the FTE components.

The information presented for 2019 excludes discontinued operations. Refer to Note 1 "Summary of Significant Accounting Policies" in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K for further discussion regarding discontinued operations.

The following table reconciles non-GAAP financial measures from the most directly comparable GAAP financial measures for each of the periods presented (dollars in thousands):

	2021	2020	2019
Interest Income (FTE)			
Interest and Dividend Income (GAAP)	**$ 592,359**	$ 653,454	$ 699,332
FTE adjustment	**12,591**	11,547	11,121
Interest and Dividend Income FTE (non-GAAP)	**$ 604,950**	$ 665,001	$ 710,453
Average earning assets	**$ 17,903,671**	$ 17,058,795	$ 14,881,142
Yield on interest-earning assets (GAAP)	**3.31 %**	3.83 %	4.70 %
Yield on interest-earning assets (FTE) (non-GAAP)	**3.38 %**	3.90 %	4.77 %
Net Interest Income (FTE)			
Net Interest Income (GAAP)	**$ 551,260**	$ 555,298	$ 537,872
FTE adjustment	**12,591**	11,547	11,121
Net Interest Income FTE (non-GAAP)	**$ 563,851**	$ 566,845	$ 548,993
Noninterest income (GAAP)	**125,806**	131,486	132,815
Total revenue (FTE) (non-GAAP)	**$ 689,657**	$ 698,331	$ 681,808
Average earning assets	**$ 17,903,671**	$ 17,058,795	$ 14,881,142
Net interest margin (GAAP)	**3.08 %**	3.26 %	3.61 %
Net interest margin (FTE) (non-GAAP)	**3.15 %**	3.32 %	3.69 %

The Company believes tangible common equity is an important indication of its ability to grow organically and through business combinations as well as its ability to pay dividends and to engage in various capital management strategies. Tangible common equity is used in the calculation of certain profitability, capital, and per share ratios. The Company believes tangible common equity and related ratios are meaningful measures of capital adequacy because they provide a meaningful basis for period-to-period and company-to-company comparisons, which the Company believes will assist investors in assessing the capital of the Company and its ability to absorb potential losses.

The following table reconciles non-GAAP financial measures from the most directly comparable GAAP financial measures for each of the periods presented (dollars in thousands):

	2021	2020	2019
Tangible Assets			
Ending Assets (GAAP)	**$ 20,064,796**	$ 19,628,449	$ 17,562,990
Less: Ending goodwill	**935,560**	935,560	935,560
Less: Ending amortizable intangibles	**43,312**	57,185	73,669
Ending tangible assets (non-GAAP)	**$ 19,085,924**	$ 18,635,704	$ 16,553,761
Tangible Common Equity			
Ending Equity (GAAP)	**$ 2,710,071**	$ 2,708,490	$ 2,513,102
Less: Ending goodwill	**935,560**	935,560	935,560
Less: Ending amortizable intangibles	**43,312**	57,185	73,669
Less: Perpetual preferred stock	**166,357**	166,357	—
Ending tangible common equity (non-GAAP)	**$ 1,564,842**	$ 1,549,388	$ 1,503,873
Average equity (GAAP)	**$ 2,725,330**	$ 2,576,372	$ 2,451,435
Less: Average goodwill	**935,560**	935,560	912,521
Less: Average amortizable intangibles	**49,999**	65,094	79,405
Less: Average perpetual preferred stock	**166,356**	93,658	—
Average tangible common equity (non-GAAP)	**$ 1,573,415**	$ 1,482,060	$ 1,459,509
Common equity to assets (GAAP)	**12.68 %**	12.95 %	14.31
Tangible common equity to tangible assets (non-GAAP)	**8.20 %**	8.31 %	9.08
Book value per common share (GAAP)	**$ 33.80**	$ 32.46	$ 31.58
Tangible book value per common share (non-GAAP)	**$ 20.79**	$ 19.78	$ 18.90

Adjusted operating measures exclude merger and rebranding-related costs, the gains or losses related to balance sheet repositioning (principally composed of gains and losses on debt extinguishment), gains or losses on sale of securities, gains on the sale of Visa, Inc. Class B common stock, as well as branch closing and facility consolidation costs (principally composed of real estate, leases and other assets write downs, gains or losses on related real estate sales, as well as severance associated with branch closing and corporate expense reduction initiatives). The Company believes these non-GAAP adjusted measures provide investors with important information about the continuing economic results of the organization's operations. Prior periods in this Form 10-K have been adjusted for previously announced branch closing and corporate expense reduction initiatives.

The following table reconciles non-GAAP financial measures from the most directly comparable GAAP financial measures for each of the periods presented (dollars in thousands, except per share amounts):

	2021	2020	2019
Adjusted Operating Earnings & EPS			
Net Income (GAAP)	**$ 263,917**	$ 158,228	$ 193,528
Plus: Merger and rebranding-related costs, net of tax	**—**	—	27,395
Plus: Net loss related to balance sheet repositioning, net of tax	**11,609**	25,979	12,953
Less: Gain on sale of securities, net of tax	**69**	9,712	6,063
Less: Gain on Visa, Inc. Class B common stock, net of tax	**4,058**	—	—
Plus: Branch closing and facility consolidation costs, net of tax	**13,775**	5,343	—
Adjusted operating earnings (non-GAAP)	**$ 285,174**	$ 179,838	$ 227,813
Less: Dividends on preferred stock	**11,868**	5,658	—
Adjusted operating earnings available to common shareholders (non-GAAP)	**$ 273,306**	$ 174,180	$ 227,813
Weighted average common shares outstanding, diluted	**77,417,801**	78,875,668	80,263,557
Earnings per common share, diluted (GAAP)	**$ 3.26**	$ 1.93	$ 2.41
Adjusted operating earnings per common share, diluted (non-GAAP)	**$ 3.53**	$ 2.21	$ 2.84

The adjusted operating efficiency ratio (FTE) excludes merger-related costs, rebranding costs, the amortization of intangible assets, gains or losses on sale of securities, gains on the sale of Visa, Inc. Class B common stock, gains or losses related to balance sheet repositioning (principally composed of gains and losses on debt extinguishment), as well as branch closing and facility consolidation costs. This measure is similar to the measure utilized by the Company when analyzing corporate performance and is also similar to the measure utilized for incentive compensation. The Company believes this adjusted measure provides investors with important information about the combined economic results of the organization's operations. Net interest income (FTE) and total adjusted revenue (FTE), which are used in computing net interest margin (FTE) and adjusted operating efficiency ratio (FTE), respectively, provide valuable additional insight into the net interest margin and the efficiency ratio by adjusting for differences in tax treatment of interest income sources. The entire FTE adjustment is attributable to interest income on earning assets, which is used in computing yield on earning assets. Interest expense and the related cost of interest-bearing liabilities and cost of funds ratios are not affected by the FTE components. Prior periods in this Form 10-K have been adjusted for previously announced branch closing and corporate expense reduction initiatives.

The following table reconciles non-GAAP financial measures from the most directly comparable GAAP financial measures for each of the periods presented (dollars in thousands):

	2021	2020	2019
Adjusted Operating Noninterest Expense, Noninterest Income & Efficiency Ratio			
Noninterest expense (GAAP)	**$ 419,195**	$ 413,349	$ 418,340
Less: Merger-related costs	**—**	—	27,824
Less: Rebranding costs	**—**	—	6,455
Less: Amortization of intangible assets	**13,904**	16,574	18,521
Less: Losses related to balance sheet repositioning	**14,695**	31,116	16,397
Less: Branch closing and facility consolidation costs	**17,437**	6,764	—
Adjusted operating noninterest expense (non-GAAP)	**$ 373,159**	$ 358,895	$ 349,143
Noninterest income (GAAP)	**$ 125,806**	$ 131,486	$ 132,815
Less: Losses related to balance sheet repositioning	**—**	(1,769)	—
Less: Gains on sale of securities	**87**	12,294	7,675
Less: Gain on Visa, Inc. Class B common stock	**5,137**	—	—
Adjusted operating noninterest income (non-GAAP)	**$ 120,582**	$ 120,961	$ 125,140
Net interest income (FTE) (non-GAAP)	**$ 563,851**	$ 566,845	$ 548,993
Adjusted operating noninterest income (non-GAAP)	**120,582**	120,961	125,140
Total adjusted revenue (FTE)(non-GAAP)	**$ 684,433**	$ 687,806	$ 674,133
Efficiency Ratio (GAAP)	**61.91 %**	60.19 %	62.37 %
Adjusted operating efficiency ratio (FTE) (non-GAAP)	**54.52 %**	52.18 %	51.79 %

PPP adjustment impact excludes the SBA guaranteed PPP loans funded during 2021 and 2020. The Company believes LHFI (net of deferred fees and costs), excluding PPP is useful to investors as it provides more clarity on the Company's organic growth. The Company also believes that the related non-GAAP financial measures of past due loans still accruing interest as a percentage of total LHFI (net of deferred fees and costs), provision for credit losses as a percentage of average LHFI, and net charge-offs as a percentage of average LHFI (net of deferred fees and costs), in each case excluding impacts from the PPP, are useful to investors as loans originated under the PPP carry an SBA guarantee. The Company believes that the ALLL and the ACL, each as a percentage of loans held for investment (net of deferred fees and costs), and each excluding impacts from the PPP, are useful to investors because of the size of the Company's PPP loan originations and the impact of the embedded credit enhancement provided by the SBA guarantee.

The following table reconciles non-GAAP financial measures from the most directly comparable GAAP financial measures for each of the periods presented (dollars in thousands, except per share amounts):

	2021	2020	2019
Adjusted Loans			
Loans held for investment (net of deferred fees and costs) (GAAP)	**$ 13,195,843**	$ 14,021,314	$ 12,610,936
Less: PPP adjustments (net of deferred fees and costs)	**150,363**	1,179,522	—
Total adjusted loans (non-GAAP)	**$ 13,045,480**	$ 12,841,792	$ 12,610,936
Average loans held for investment (net of deferred fees and costs) (GAAP)	**$ 13,639,325**	$ 13,777,467	$ 11,949,171
Less: Average PPP adjustments (net of deferred fees and costs)	**864,814**	1,091,921	—
Total adjusted average loans (non-GAAP)	**$ 12,774,511**	$ 12,685,546	$ 11,949,171
Asset Quality			
Provision for loan losses	**$ (58,888)**	$ 82,200	$ 22,125
Net charge-offs	**1,865**	11,438	20,876
Allowance for loan and lease losses	**99,787**	160,540	42,294
Allowance for credit losses	**107,787**	170,540	43,194
Total NPAs	**32,796**	45,221	32,940
ALLL/total outstanding loans	**0.76 %**	1.14 %	0.34 %
ALLL/total adjusted loans (non-GAAP)	**0.76 %**	1.25 %	0.34 %
ACL/total outstanding loans	**0.82 %**	1.22 %	0.34 %
ACL/total adjusted loans (non-GAAP)	**0.83 %**	1.33 %	0.34 %
NPAs/total outstanding loans	**0.25 %**	0.32 %	0.26 %
NPAs/total adjusted loans (non-GAAP)	**0.25 %**	0.35 %	0.26 %
Net charge-offs/total average loans	**0.01 %**	0.08 %	0.17 %
Net charge-offs/total adjusted average loans (non-GAAP)	**0.01 %**	0.09 %	0.17 %
Provision for loan losses/total average loans	**(0.43)%**	0.60 %	0.19 %
Provision for loan losses/total adjusted average loans (non-GAAP)	**(0.46)%**	0.65 %	0.19 %

ITEM 7A. - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

This information is incorporated herein by reference to the information in section "Market Risk" within Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Form 10-K.

ITEM 8. - FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Atlantic Union Bankshares Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Atlantic Union Bankshares Corporation (the Company) as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 25, 2022 expressed an unqualified opinion thereon.

Adoption of New Accounting Standard

As discussed in Note 1 and Note 4 to the consolidated financial statements, the Company changed its method of accounting for credit losses in 2020.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosures to which it relates.

Allowance for Loan and Lease Losses

Description of the Matter	At December 31, 2021, the Company's ALLL was $99.8 million. As more fully described in Note 1 and Note 4 of the consolidated financial statements, the Company's ALLL represents management's current estimate of expected credit losses over the life of the held for investment (HFI) loan portfolio. The ALLL is estimated by applying statistical loss forecasting models to loan balances pooled by loan type and credit risk indicator, with the exception of certain consumer pools that use vintage and loss rate methods. The models use economic forecast assumptions to estimate credit losses over a two-year forecast period before reverting to long-term average historical loss rates on a straight-line basis over the following two-year period. The Company considers qualitative factors to adjust model output when estimating the ALLL to account for expected credit losses not addressed in the statistical loss models, including uncertainty regarding forecasted economic conditions and its impact on future credit losses.

	Auditing management's estimate of the ALLL was especially challenging and highly judgmental due to qualitative factors management leverages when setting the ALLL.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the ALLL process that included, among others, controls over the accuracy of data and key model inputs such as loan risk ratings, the development, operation, and monitoring of the models, and management review controls over the use of qualitative factors. We involved EY specialists in testing management's statistical models, including evaluating model design and methodology, model performance, and testing key model assumptions. We also used EY specialists to assist us in testing key model inputs, including the accuracy of credit risk indicators and underlying collateral valuations. To test the qualitative component of the ALLL, we performed audit procedures that included, among others, assessing the appropriateness of the methodology and the consistency of its application, comparing certain economic data points used to support the qualitative factors to third party data, and re-computing components of the qualitative estimation that were quantitatively derived. We inspected management's documentation supporting the use of qualitative factors, tested the completeness of the data supporting the measurement of those factors, and compared changes in those factors to prior periods. We also compared the collective ALLL estimate, inclusive of the qualitative component, to prior periods and industry peers through the use of allowance coverage ratios and charge-off experience for potential contrary evidence.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2015.

Richmond, Virginia

February 25, 2022

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Atlantic Union Bankshares Corporation

Opinion on Internal Control over Financial Reporting

We have audited Atlantic Union Bankshares Corporation’s internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Atlantic Union Bankshares Corporation (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, changes in stockholders’ equity, and cash flows for each of the three years in the period ended December 31, 2021, and the related notes, and our report dated February 25, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management’s Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Richmond, Virginia

February 25, 2022

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ATLANTIC UNION BANKSHARES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2021 AND 2020
(Dollars in thousands, except share data)

	2021	2020
ASSETS		
Cash and cash equivalents:		
Cash and due from banks	$ 180,963	$ 172,307
Interest-bearing deposits in other banks	618,714	318,974
Federal funds sold	2,824	2,013
Total cash and cash equivalents	802,501	493,294
Securities available for sale, at fair value	3,481,650	2,540,419
Securities held to maturity, at carrying value	628,000	544,851
Restricted stock, at cost	76,825	94,782
Loans held for sale, at fair value	20,861	96,742
Loans held for investment, net of deferred fees and costs	13,195,843	14,021,314
Less allowance for loan and lease losses	99,787	160,540
Total loans held for investment, net	13,096,056	13,860,774
Premises and equipment, net	134,808	163,829
Goodwill	935,560	935,560
Amortizable intangibles, net	43,312	57,185
Bank owned life insurance	431,517	326,892
Other assets	413,706	514,121
Total assets	$ 20,064,796	$ 19,628,449
LIABILITIES		
Noninterest-bearing demand deposits	$ 5,207,324	$ 4,368,703
Interest-bearing deposits	11,403,744	11,354,062
Total deposits	16,611,068	15,722,765
Securities sold under agreements to repurchase	117,870	100,888
Other short-term borrowings	—	250,000
Long-term borrowings	388,724	489,829
Other liabilities	237,063	356,477
Total liabilities	17,354,725	16,919,959
Commitments and contingencies (Note 10)		
STOCKHOLDERS' EQUITY		
Preferred stock, $10.00 par value	173	173
Common stock, $1.33 par value	100,101	104,169
Additional paid-in capital	1,807,368	1,917,081
Retained earnings	783,794	616,052
Accumulated other comprehensive income	18,635	71,015
Total stockholders' equity	2,710,071	2,708,490
Total liabilities and stockholders' equity	$ 20,064,796	$ 19,628,449
Common shares outstanding	75,663,648	78,729,212
Common shares authorized	200,000,000	200,000,000
Preferred shares outstanding	17,250	17,250
Preferred shares authorized	500,000	500,000

See accompanying notes to consolidated financial statements.

ATLANTIC UNION BANKSHARES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2021, 2020, AND 2019
(Dollars in thousands, except per share amounts)

	2021	2020	2019
Interest and dividend income:			
Interest and fees on loans	$ 508,770	$ 574,871	$ 612,115
Interest on deposits in other banks	855	1,270	3,733
Interest and dividends on securities:			
Taxable	43,859	43,585	51,437
Nontaxable	38,875	33,728	32,047
Total interest and dividend income	592,359	653,454	699,332
Interest expense:			
Interest on deposits	27,117	75,943	114,972
Interest on short-term borrowings	108	1,691	15,479
Interest on long-term borrowings	13,874	20,522	31,009
Total interest expense	41,099	98,156	161,460
Net interest income	551,260	555,298	537,872
Provision for credit losses	(60,888)	87,141	21,092
Net interest income after provision for credit losses	612,148	468,157	516,780
Noninterest income:			
Service charges on deposit accounts	27,122	25,251	30,202
Other service charges, commissions and fees	6,595	6,292	6,423
Interchange fees	8,279	7,184	14,619
Fiduciary and asset management fees	27,562	23,650	23,365
Mortgage banking income	21,022	25,857	10,303
Gains on securities transactions	87	12,294	7,675
Bank owned life insurance income	11,488	9,554	8,311
Loan-related interest rate swap fees	5,620	15,306	14,126
Other operating income	18,031	6,098	17,791
Total noninterest income	125,806	131,486	132,815
Noninterest expenses:			
Salaries and benefits	214,929	206,662	195,349
Occupancy expenses	28,718	28,841	29,793
Furniture and equipment expenses	15,950	14,923	14,216
Technology and data processing	30,200	25,929	23,686
Professional services	17,841	13,007	11,905
Marketing and advertising expense	9,875	9,886	11,566
FDIC assessment premiums and other insurance	9,482	9,971	6,874
Other taxes	17,740	16,483	15,749
Loan-related expenses	7,004	9,515	10,043
Amortization of intangible assets	13,904	16,574	18,521
Merger-related costs	—	—	27,824
Rebranding expense	—	—	6,455
Loss on debt extinguishment	14,695	31,116	16,397
Other expenses	38,857	30,442	29,962
Total noninterest expenses	419,195	413,349	418,340
Income from continuing operations before income taxes	318,759	186,294	231,255
Income tax expense	54,842	28,066	37,557
Income from continuing operations	$ 263,917	$ 158,228	$ 193,698
Discontinued operations:			
Loss from operations of discontinued mortgage segment	$ —	$ —	$ (230)
Income tax benefit	—	—	(60)
Loss on discontinued operations	—	—	(170)
Net income	263,917	158,228	193,528
Dividends on preferred stock	11,868	5,658	—
Net income available to common shareholders	$ 252,049	$ 152,570	$ 193,528
Basic earnings per common share	$ 3.26	$ 1.93	$ 2.41
Diluted earnings per common share	$ 3.26	$ 1.93	$ 2.41
Dividends declared per common share	$ 1.09	$ 1.00	$ 0.96
Basic weighted average number of common shares outstanding	77,399,902	78,858,726	80,200,950
Diluted weighted average number of common shares outstanding	77,417,801	78,875,668	80,263,557

See accompanying notes to consolidated financial statements.

ATLANTIC UNION BANKSHARES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021, 2020, AND 2019
(Dollars in thousands)

	2021	2020	2019
Net income	**$ 263,917**	$ 158,228	$ 193,528
Other comprehensive income (loss):			
Cash flow hedges:			
Change in fair value of cash flow hedges	**(1,520)**	(699)	(5,103)
Reclassification adjustment for losses (gains) included in net income (net of tax, $12, $394, and $2,051 for the years ended December 31, 2021, 2020, 2019 respectively) [1]	**(47)**	1,481	7,714
AFS securities:			
Unrealized holding gains (losses) arising during period (net of tax, $13,644, $12,227, and $13,262 for the years ended December 31, 2021, 2020, 2019 respectively)	**(51,329)**	45,996	49,890
Reclassification adjustment for gains included in net income (net of tax, $18, $2,582, and $1,611 for the years ended December 31, 2021, 2020, 2019 respectively) [2]	**(69)**	(9,712)	(6,064)
HTM securities:			
Reclassification adjustment for accretion of unrealized gain on AFS securities transferred to HTM (net of tax, $5, $5, and $5 for the years ended December 31, 2021, 2020, 2019 respectively) [3]	**(20)**	(20)	(20)
Bank owned life insurance:			
Unrealized holding losses arising during period	**—**	(2,098)	(646)
Reclassification adjustment for losses included in net income [4]	**605**	492	77
Other comprehensive income (loss)	**(52,380)**	35,440	45,848
Comprehensive income	**$ 211,537**	$ 193,668	$ 239,376

(1) *The gross amounts are generally reported in the interest income and interest expense sections of the Company's Consolidated Statements of Income with the corresponding income tax effect being reflected as a component of income tax expense. The gross amounts reclassified into earnings for the year ended December 31, 2020 included a $1.8 million loss related to the termination of a cash flow hedge that is reported in "Other operating income" with the corresponding income tax effect being reflected as a component of income tax expense.*

(2) *The gross amounts reclassified into earnings are reported as "Gains on securities transactions" on the Company's Consolidated Statements of Income with the corresponding income tax effect being reflected as a component of income tax expense.*

(3) *The gross amounts reclassified into earnings are reported within interest income on the Company's Consolidated Statements of Income with the corresponding income tax effect being reflected as a component of income tax expense.*

(4) *Reclassifications in earnings are reported in "Salaries and benefits" expense on the Company's Consolidated Statements of Income.*

See accompanying notes to consolidated financial statements.

ATLANTIC UNION BANKSHARES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2021, 2020, AND 2019
(Dollars in thousands, except share amounts)

	Common Stock	Preferred Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance - December 31, 2018	$ 87,250	—	1,380,259	467,345	(10,273)	$ 1,924,581
Net income - 2019				193,528		193,528
Other comprehensive income (net of taxes of $13,697)					45,848	45,848
Issuance of common stock in regard to acquisitions (15,842,026 shares)	21,070		478,904			499,974
Dividends on common stock ($0.96 per share)				(78,345)		(78,345)
Stock purchased under stock repurchase plan (2,171,944 shares)	(2,889)		(77,391)			(80,280)
Issuance of common stock under Equity Compensation Plans, for services rendered, and vesting of restricted stock, net of shares held for taxes (297,726 shares)	396		201			597
Impact of adoption of new guidance				(1,133)		(1,133)
Stock-based compensation expense			8,332			8,332
Balance - December 31, 2019	105,827	—	1,790,305	581,395	35,575	2,513,102
Net income - 2020				158,228		158,228
Other comprehensive income (net of taxes of $10,034)					35,440	35,440
Issuance of preferred stock (17,250 shares)		173	166,183			166,356
Dividends on common stock ($1.00 per share)				(78,860)		(78,860)
Dividends on preferred stock ($328.48 per share)				(5,658)		(5,658)
Stock purchased under stock repurchase plan (1,493,472 shares)	(1,985)		(47,894)			(49,879)
Issuance of common stock under Equity Compensation Plans, for services rendered, and vesting of restricted stock, net of shares held for taxes (246,377 shares)	327		(771)			(444)
Impact of adoption of ASC 326				(39,053)		(39,053)
Stock-based compensation expense			9,258			9,258
Balance - December 31, 2020	104,169	173	1,917,081	616,052	71,015	2,708,490
Net income - 2021				**263,917**		**263,917**
Other comprehensive loss (net of taxes of $13,679)					**(52,380)**	**(52,380)**
Dividends on common stock ($1.09 per share)				**(84,307)**		**(84,307)**
Dividends on preferred stock ($687.52 per share)				**(11,868)**		**(11,868)**
Stock purchased under stock repurchase plan (3,379,130 shares)	**(4,495)**		**(120,505)**			**(125,000)**
Issuance of common stock under Equity Compensation Plans, for services rendered, and vesting of restricted stock, net of shares held for taxes (320,263 shares)	**427**		**701**			**1,128**
Stock-based compensation expense			**10,091**			**10,091**
Balance - December 31, 2021	**$ 100,101**	**$ 173**	**$ 1,807,368**	**$ 783,794**	**$ 18,635**	**$ 2,710,071**

See accompanying notes to consolidated financial statements.

ATLANTIC UNION BANKSHARES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021, 2020, AND 2019

	2021	2020	2019[(1)]
Operating activities:			
Net income	$ **263,917**	$ 158,228	$ 193,528
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation of premises and equipment	**15,885**	15,218	15,032
Writedown of foreclosed properties and former bank premises	**16,958**	5,526	1,906
Amortization, net	**34,847**	27,888	24,944
Accretion related to acquisitions, net	**(2,953)**	(8,397)	(7,899)
Provision for credit losses	**(60,888)**	87,141	21,092
Gains on securities transactions, net	**(87)**	(12,294)	(7,675)
Gain on Visa, Inc. Class B common stock	**(5,138)**	—	—
BOLI income	**(11,488)**	(9,554)	(8,311)
Deferred tax expense	**43,512**	2,690	15,057
Originations and purchases of loans held for sale	**(609,404)**	(764,809)	(345,116)
Proceeds from sales of loans held for sale	**682,482**	723,351	312,543
Losses (gains) on sales of foreclosed properties and former bank premises, net	**(2,257)**	29	102
Losses on debt extinguishment	**14,695**	31,116	16,397
Stock-based compensation expenses	**10,091**	9,258	8,332
Issuance of common stock for services	**567**	804	910
Net (increase) decrease in other assets	**83,248**	(138,189)	(57,859)
Net increase (decrease) in other liabilities	**(136,196)**	103,916	11,816
Net cash provided by operating activities	**337,791**	231,922	194,799
Investing activities:			
Purchases of AFS securities, restricted stock, and other investments	**(1,557,818)**	(1,165,302)	(444,398)
Purchases of HTM securities	**(94,070)**	—	(47,217)
Proceeds from sales of AFS securities and restricted stock	**45,436**	257,945	514,070
Proceeds from maturities, calls and paydowns of AFS securities	**504,021**	395,993	247,770
Proceeds from maturities, calls and paydowns of HTM securities	**7,523**	6,963	3,142
Net decrease (increase) in loans held for investment	**837,569**	(1,393,424)	(741,146)
Proceeds from sale of Visa, Inc. Class B common stock	**5,138**	—	—
Net increase in premises and equipment	**(9,399)**	(29,573)	(15,892)
Proceeds from BOLI settlements	**4,843**	5,029	—
Purchases of BOLI policies	**(100,000)**	—	—
Proceeds from sales of foreclosed properties and former bank premises	**11,315**	4,063	12,118
Cash paid in acquisitions	**—**	—	(12)
Cash acquired in acquisitions	**—**	—	46,164
Net cash used in investing activities	**(345,442)**	(1,918,306)	(425,401)
Financing activities:			
Net increase in noninterest-bearing deposits	**838,621**	1,398,564	191,125
Net increase in interest-bearing deposits	**49,695**	1,019,352	916,656
Net decrease in short-term borrowings	**(233,018)**	(85,365)	(872,229)
Cash paid for contingent consideration	**—**	—	(565)
Net proceeds from issuance of long-term debt	**246,869**	—	550,000
Repayments of long-term debt	**(364,695)**	(619,616)	(220,614)
Cash dividends paid - common stock	**(84,307)**	(78,860)	(78,345)
Cash dividends paid - preferred stock	**(11,868)**	(5,658)	—
Repurchase of common stock	**(125,000)**	(49,879)	(80,280)
Issuance of common stock	**3,141**	1,013	1,988
Issuance of preferred stock, net	**—**	166,356	—
Vesting of restricted stock, net of shares held for taxes	**(2,580)**	(2,261)	(2,301)
Net cash provided by financing activities	**316,858**	1,743,646	405,435
Increase in cash and cash equivalents	**309,207**	57,262	174,833
Cash, cash equivalents and restricted cash at beginning of the period	**493,294**	436,032	261,199
Cash, cash equivalents and restricted cash at end of the period	$ **802,501**	$ 493,294	$ 436,032

ATLANTIC UNION BANKSHARES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021, 2020, AND 2019
(Dollars in thousands)

	2021	2020	2019
Supplemental Disclosure of Cash Flow Information			
Cash payments for:			
Interest	**$ 40,669**	$ 101,045	$ 159,934
Income taxes	**1,343**	26,103	25,058
Supplemental schedule of noncash investing and financing activities			
Transfers from loans to foreclosed properties	**13**	615	1,878
Transfers from bank premises to OREO	**8,233**	7,949	—
Transfers to LHFI from LHFS	**—**	1,050	—
Issuance of common stock in exchange for net assets in acquisition	**—**	—	499,974
Transactions related to acquisitions			
Assets acquired	**—**	—	2,849,673
Liabilities assumed	**—**	—	2,558,063

See accompanying notes to consolidated financial statements.

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(1) *Discontinued operations have an immaterial impact on the Company's Consolidated Statements of Cash Flows.*

ATLANTIC UNION BANKSHARES CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021, 2020, AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company - Headquartered in Richmond, Virginia, Atlantic Union Bankshares Corporation (Nasdaq: AUB) is the holding company for Atlantic Union Bank. Atlantic Union Bank had 130 branches and approximately 150 ATMs located throughout Virginia, and in portions of Maryland and North Carolina as of December 31, 2021. Certain non-bank financial services affiliates of Atlantic Union Bank include: Atlantic Union Equipment Finance, Inc., which provides equipment financing; Dixon, Hubard, Feinour & Brown, Inc., which provides investment advisory services; Atlantic Union Financial Consultants, LLC, which provides brokerage services; and Union Insurance Group, LLC, which offers various lines of insurance products.

Effective October 1, 2021, Old Dominion Capital Management, Inc., and its subsidiary, Outfitter Advisors, Ltd., merged with and into DHFB, as part of an internal reorganization to streamline operations. Old Dominion Capital Management now operates as a division of DHFB.

Effective March 1, 2021, Middleburg Financial, the Bank’s wealth management division was rebranded to Atlantic Union Bank Wealth Management, and Middleburg Investment Services, LLC changed its name to Atlantic Union Financial Consultants, LLC.

Effective May 17, 2019, Union Bankshares Corporation changed its name to Atlantic Union Bankshares Corporation and Union Bank & Trust changed its name to Atlantic Union Bank.

Basis of Financial Information - The accounting policies and practices of Atlantic Union Bankshares Corporation and subsidiaries conform to GAAP and follow general practices within the banking industry. The consolidated financial statements include the accounts of the Company, which is a financial holding company and a bank holding company that owns all of the outstanding common stock of its banking subsidiary, Atlantic Union Bank, which owns Union Insurance Group, LLC, Dixon, Hubard, Feinour & Brown, Inc., and Atlantic Union Equipment Finance, Inc. Atlantic Union Bank and subsidiary trusts were formed in connection with prior acquisitions by the Company. The subordinated debts payable to the Trusts are reported as liabilities of the Company. All significant inter-company balances and transactions have been eliminated.

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the ALLL, acquired loans, the valuation of goodwill, deferred tax assets and liabilities, and the fair value of financial instruments.

Principles of Consolidation – The accompanying consolidated financial statements include financial information related to Atlantic Union Bankshares Corporation and its majority-owned subsidiaries and those variable interest entities where the Company is the primary beneficiary, if any. In preparing the consolidated financial statements, all significant inter-company accounts and transactions have been eliminated. Assets held in an agency or fiduciary capacity are not included in the consolidated financial statements. Accounting guidance states that if a business enterprise is the primary beneficiary of a variable interest entity, the assets, liabilities, and results of the activities of the variable interest entity should be included in the consolidated financial statements of the business enterprise. An entity is deemed to be the primary beneficiary of a variable interest entity if that entity has both the power to direct the activities that most significantly impact its economic performance; and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the variable interest entity.

Segment Reporting - Operating segments are components of a business about which separate financial information is available and evaluated regularly by the chief operating decision makers in deciding how to allocate resources and assessing performance. The Bank is the Company's only reportable operating segment upon which management makes decisions regarding how to allocate resources and assess performance. While the Company's chief operating decision makers do have some limited financial information about its various financial products and services, that information is not complete since it does not include a full allocation of revenue, costs, and capital from key corporate functions; therefore, the Company evaluates financial performance on the Company-wide basis. Management continues to evaluate these business units for separate reporting as facts and circumstances change.

On May 30, 2019, the Bank notified TFSB that the Bank was terminating its primary agreement with TFSB and will no longer allow TFSB to offer residential mortgages from Bank locations. UMG operations remain discontinued, although the Company continues to offer residential mortgages through a division of the Bank. As of December 31, 2021 and 2020, the assets and liabilities, as well as the operating results, of the discontinued mortgage segment were not considered material. Management believes there are no material on-going obligations with respect to UMG's business that have not been recorded or disclosed in the Company's consolidated financial statements.

Cash and Cash Equivalents - For purposes of reporting cash flows, the Company defines cash and cash equivalents as cash, cash due from banks, interest-bearing deposits in other banks, short-term money market investments, other interest-bearing deposits, and federal funds sold.

Restricted cash is disclosed in Note 10 "Commitments and Contingencies" and is comprised of cash maintained at various correspondent banks as collateral for the Company's derivative portfolio and is included in interest-bearing deposits in other banks on the Company's Consolidated Balance Sheets. In addition, the Company is required to maintain reserve balances with the FRB based on the type and amount of deposits; however, on March 15, 2020 the Federal Reserve announced that reserve requirement ratios would be reduced to zero percent effective March 26, 2020 due to economic conditions, which eliminated the reserve requirement for all depository institutions.

Investment Securities - Investment securities held by the Company are classified as either AFS or HTM at the time of purchase and reassessed periodically, based on management's intent. Additionally, the Company also holds equity securities and restricted stock with the FRB and FHLB, which are not subject to the investment security classifications.

Available for Sale - debt securities that management intends to hold for an indefinite period of time, including securities used as part of the Company's asset/liability strategy, and that may be sold in response to changes in interest rates, liquidity needs, or other factors are classified as AFS. AFS securities are reported at fair value with unrealized gains or losses, net of deferred taxes, included in accumulated other comprehensive income in stockholders' equity.

Held to Maturity - debt securities that the Company has the positive intent and ability to hold to maturity are classified as HTM. HTM securities are reported at carrying value. Transfers of debt securities into the HTM category from the AFS category are made at fair value at the date of transfer. The unrealized holding gain or loss at the date of transfer is retained in OCI and in the carrying value of the HTM securities. Such amounts are amortized over the remaining life of the security.

Equity Investments - Equity investments are accounted for using the equity method of accounting if the investment gives the Company the ability to exercise significant influence, but not control, over an investee. The Company's share of the earnings or losses is reported by equity method investees and is classified as income from equity investees on our consolidated statements of earnings. Equity investments for which the Company does not have the ability to exercise

significant influence are accounted for using the cost method of accounting. Under the cost method, investments are carried at cost and are adjusted only for other-than-temporary declines in fair value, certain distributions, and additional investments. Equity investments in unconsolidated entities with a readily determinable fair value that are not accounted for under the equity method will be measured at fair value through net income.

Restricted Stock, at cost - due to restrictions placed upon the Company's common stock investments in the FRB and FHLB, these securities have been classified as restricted equity securities and carried at cost. The FHLB required the Bank to maintain stock in an amount equal to 3.75% of outstanding borrowings and a specific percentage of the member's total assets at December 31, 2021 and 2020. The FRB requires the Company to maintain stock with a par value equal to 6% of its outstanding capital.

Interest income includes amortization of purchase premium or discount. Premiums and discounts on securities are generally amortized on the level-yield method without anticipating prepayments, except for MBS where prepayments are anticipated. Premiums on callable debt securities are amortized to their earliest call date. Discounts on callable debt securities are amortized to their maturity date. Gains and losses on sales are recorded on the trade date and determined using the specific identification method.

The Company regularly evaluates AFS securities whose values have declined below amortized cost to assess whether the decline in fair value is the result of credit impairment. For AFS securities, the Company evaluates the fair value and credit quality of its AFS securities on at least a quarterly basis. In the event the fair value of a security falls below its amortized cost basis, the security will be evaluated to determine whether the decline in value was caused by changes in market interest rates or security credit quality. The primary indicators of credit quality for the Company's AFS portfolio are security type and credit rating, which are influenced by a number of security-specific factors that may include obligor cash flow, geography, seniority, structure, credit enhancement and other factors.

There is currently no ACL held against the Company's AFS securities portfolio at December 31, 2021, consistent with December 31, 2020. See Note 3 "Securities," for additional information on the Company's ACL analysis. If unrealized losses are related to credit quality, the Company estimates the credit related loss by evaluating the present value of cash flows expected to be collected from the security with the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis of the security and a credit loss exists, an ACL shall be recorded for the credit loss, limited by the amount that the fair value is less than amortized cost basis. Non-credit related declines in fair value are recognized in OCI, net of applicable taxes. Changes in the ACL are recorded as a provision for or reversal of credit loss expense. Charge-offs are recorded against the ACL when management believes the AFS security is no longer collectible. A debt security is placed on nonaccrual status at the time any principal or interest payments become 90 days delinquent.

The Company evaluates the credit risk of its HTM securities on at least a quarterly basis. Management estimates expected credit losses on held-to-maturity debt securities based on an individual basis based on the PD/LGD methodology primarily using security-level credit ratings. Management has an immaterial ACL on HTM securities at December 31, 2021 and 2020.

Loans Held for Sale - LHFS consist of residential real estate loans originated for sale in the secondary market. Credit risk associated with such loans is mitigated by entering into sales commitments with third party investors to purchase the loans when they are originated. This practice has the effect of minimizing the amount of such loans that are unsold and the interest rate risk at any point in time. The Company does not service these loans after they are sold. The Company records residential real estate LHFS via the fair value option. For further information regarding the fair value method and assumptions, refer to Note 14 "Fair Value Measurements." The change in fair value of LHFS is recorded as a component of "Mortgage banking income" on the Company's Consolidated Statements of Income. The Company will periodically have other loans that are held for sale that are recorded using lower of cost or market; however, those are assessed on a case-by-case basis.

Loans Held for Investment - The Company originates commercial and consumer loans to customers. A substantial portion of the loan portfolio is represented by commercial and residential real estate loans (including acquisition and development loans and residential construction loans) throughout its market area. The ability of the Company's debtors to honor their contracts on such loans is dependent upon the real estate and general economic conditions in those markets, as well as other factors.

Loans that management has the intent and ability to hold for the foreseeable future or until maturity or pay-off generally are reported at their outstanding unpaid principal balances adjusted for any charge-offs, the ALLL, and any deferred fees and costs on originated loans. Interest income is accrued on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, are deferred and recognized as an adjustment of the related loan yield using the interest method.

Below is a summary of the current loan portfolios:

Construction and Land Development - construction loans generally made to commercial and residential developers and builders for specific construction projects. The successful repayment of these types of loans is generally dependent upon (a) a commitment for permanent financing from the Company or other lender, or (b) from the sale of the constructed property. These loans carry more risk than both types of commercial real estate term loans due to the dynamics of construction projects, changes in interest rates, the long-term financing market, and state and local government regulations. As in commercial real estate term lending, the Company manages risk by using specific underwriting policies and procedures for these types of loans and by avoiding excessive concentrations to any one business, industry, property type or market.

Also, included in this category are loans generally made to residential home builders to support their lot and home construction inventory needs. Repayment relies upon the sale of the underlying residential real estate project. This type of lending carries a higher level of risk as compared to other commercial lending. This class of lending manages risks related to residential real estate market conditions, a functioning primary and secondary market in which to finance the sale of residential properties, and the borrower’s ability to manage inventory and run projects. The Company manages this risk by lending to experienced builders and developers by using specific underwriting policies and procedures for these types of loans and by avoiding excessive concentrations with any particular customer or geographic region.

Commercial Real Estate – Owner Occupied - term loans made to support owner occupied real estate properties that rely upon the successful operation of the business occupying the property for repayment. General market conditions and economic activity may affect these types of loans. In addition to using specific underwriting policies and procedures for these types of loans, the Company manages risk by avoiding concentrations to any one business or industry.

Commercial Real Estate – Non-Owner Occupied - term loans typically made to borrowers to support income producing properties that rely upon the successful operation of the property for repayment. General market conditions and economic activity may impact the performance of these types of loans. In addition to using specific underwriting policies and procedures for these types of loans, the Company manages risk by diversifying the lending to various property types, such as retail, office, office warehouse, and hotel as well as avoiding concentrations to any one business, industry, property type or market.

Multifamily Real Estate - loans made to real estate investors to support permanent financing for multifamily residential income producing properties that rely on the successful operation of the property for repayment. This management mainly involves property maintenance, re-leasing upon tenant turnover and collection of rents due from tenants. This type of lending carries a lower level of risk, as compared to other commercial lending. In addition, underwriting requirements for multifamily properties are stricter than for other non-owner-occupied property types. The Company manages this risk by avoiding concentrations with any particular customer and if necessary, in any particular submarket.

Commercial & Industrial - loans generally made to support the Company’s borrowers’ need for short-term or seasonal cash flow and equipment/vehicle purchases. Repayment relies upon the successful operation of the business. This type of lending typically carries a lower level of commercial credit risk, as compared to other commercial lending. The Company manages this risk by using general underwriting policies and procedures for these types of loans and by avoiding concentrations to any one business or industry.

Residential 1-4 Family - Commercial - loans made to commercial borrowers where the loan is secured by residential property. The Residential 1-4 Family - Commercial loan portfolio carries risks associated with the creditworthiness of the tenant, the ability to re-lease the property when vacancies occur, and changes in loan-to-value ratios. The Company manages these risks through policies and procedures, such as limiting loan-to-value ratios at origination, requiring guarantees, experienced underwriting, and requiring standards for appraisers.

Residential 1-4 Family - Consumer - loans generally made to consumer residential borrowers. The Residential 1-4 Family - Consumer loan portfolio carries risks associated with the creditworthiness of the borrower and changes in loan- to-value ratios. The Company manages these risks through policies and procedures such as limiting loan-to-value ratios at origination, experienced underwriting, requiring standards for appraisers, and not making subprime loans.

Residential 1-4 Family - Revolving - the consumer portfolio carries risks associated with the creditworthiness of the borrower and changes in loan-to-value ratios. The Company manages these risks through policies and procedures, such as limiting loan-to-value ratios at origination, using experienced underwriting, requiring standards for appraisers, and not making subprime loans.

Auto - the consumer indirect auto lending portfolio generally carries certain risks associated with the values of the collateral that management must mitigate. The Company focuses its indirect auto lending on one to two-year-old used vehicles where substantial depreciation has already occurred thereby minimizing the risk of significant loss of collateral values in the future. This type of lending places reliance on computer-based loan approval systems to supplement other underwriting standards.

Consumer - included in this category are loans purchased through various third-party lending programs. These portfolios include consumer loans and carry risks associated with the borrower, changes in the economic environment, and the vendors themselves. The Company manages these risks through policies that require minimum credit scores and other underwriting requirements, robust analysis of actual performance versus expected performance, as well as ensuring compliance with the Company's vendor management program.

Other Commercial - portfolios carry risks associated with the creditworthiness of the borrower and changes in the economic environment. The Company manages these risks by using general underwriting policies and procedures for these types of loans and experienced underwriting. Loans that support small business lines of credit and agricultural lending are included in this category; however, neither are a material source of business for the Company.

Nonaccruals, Past Dues, and Charge-offs

The policy for placing commercial and consumer loans on nonaccrual status is generally when the loan is 90 days delinquent unless the credit is well secured and in process of collection. Consumer loans are typically charged-off when management judges the loan to be uncollectible but generally no later than 120 days past due for non-real estate secured loans and 180 days for real estate secured loans. Non-real estate secured consumer loans are generally not placed on nonaccrual status prior to charge off. Commercial loans are typically written down to net realizable value when it is determined that the Company will be unable to collect the principal amount in full and the amount is a confirmed loss. Loans in all classes of portfolios are considered past due or delinquent when a contractual payment has not been satisfied. Loans are placed on nonaccrual status or charged off at an earlier date if collection of principal and interest is considered doubtful and in accordance with regulatory requirements. In response to the COVID-19 pandemic, the Company offered short-term loan modifications to assist borrowers. The Company enhanced the monitoring over loans that received modifications, specifically full principal and interest payment deferrals, and considered nonaccrual treatment at which time the Company no longer expected to collect all principal and interest over the life of the loan. The process for charge-offs is discussed in detail within the "Allowance for Loan and Lease Losses" section of this Note 1.

For both the commercial and consumer loan segments, all interest accrued but not collected for loans placed on nonaccrual status or charged-off is reversed against interest income and accrual of interest income is terminated. Payments and interest on these loans are accounted for using the cost-recovery method by applying all payments received as a reduction to the outstanding principal balance until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured. The determination of future payments being reasonably assured varies depending on the circumstances present with the loan; however, the timely payment of contractual amounts owed for six consecutive months is a primary indicator. The authority to move loans into or out of accrual status is limited to senior Special Assets Officers and the Chief Credit Officer, though reclassification of certain loans may require approval of the Special Assets Loan Committee.

Allowance for Loan and Lease Losses - The provision for loan losses is an amount sufficient to bring the ALLL to an estimated balance that management considers adequate to absorb expected losses in the portfolio. The ALLL is a

valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. Loans are charged off against the ALLL when management believes the loan balance is no longer collectible. Subsequent recoveries of previously charged off amounts are recorded as increases to the ALLL; however, expected recoveries do not exceed the aggregate of amounts previously charged-off.

Management's determination of the adequacy of the ALLL is based on an evaluation of the composition of the loan portfolio, the value and adequacy of collateral, current economic conditions, historical loan loss experience, reasonable and supportable forecasts, and other risk factors. The ALLL is estimated using a loan-level PD/LGD method for all loans with the exception of its overdraft, auto and third party consumer lending portfolios. For auto and third party consumer lending portfolios, the Company has elected to pool those loans based on similar risk characteristics to determine the ALLL using vintage and loss rate methods.

The Company considers a number of economic variables in developing the ALLL of which the Virginia unemployment rate is the most significant. The ALLL quantitative estimate is sensitive to changes in the forecast of the Virginia unemployment rate over the two-year reasonable and supportable period, with the commercial portfolio being the most sensitive to fluctuations in unemployment. To forecast Virginia unemployment, the Company utilizes Moody's economic forecasts. At December 31, 2021, the baseline scenario used in the two-year reasonable and supportable period forecast included the Virginia unemployment rate at an average of 2.6%, compared to an average of 5.0% Virginia unemployment rate in the baseline scenario forecast used for the December 31, 2020 estimate. Because current economic conditions and forecasts can change and future events are inherently difficult to predict, the anticipated amount of estimated credit losses on loans, and therefore the appropriateness of the ALLL, could change significantly. It is difficult to estimate how potential changes in any one economic factor or input might affect the overall allowance because a wide variety of factors and inputs are considered in estimating the allowance and changes in those factors and inputs considered may not occur at the same rate and may not be consistent across all loan types. Additionally, changes in factors and inputs may be directionally inconsistent, such that improvement in one factor may offset deterioration in others.

While management uses available information to estimate expected losses on loans, future changes in the ALLL may be necessary based on changes in portfolio composition, portfolio credit quality, and/or economic conditions.

Determining the Contractual Term

Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments when appropriate. The contractual term excludes expected extensions, renewals, and modifications unless either of the following applies: management has a reasonable expectation at the reporting date that a TDR will be executed with an individual borrower or the extensions or renewal options are included in the original or modified contract at the reporting date and are not unconditionally legally cancelable by the Company.

The Company's ALLL measures the expected lifetime loss using pooled assumptions and loan-level details for financial assets that share common risk characteristics and evaluates an individual reserve in instances where the financial assets do not share the same risk characteristics.

Collectively Assessed Reserve Consideration

Loans that share common risk characteristics are considered collectively assessed. Loss estimates within the collectively assessed population are based on a combination of pooled assumptions and loan-level characteristics.

Quantitative loss estimation models have been developed based largely on internal historical data at the loan and portfolio levels from 2005 through the current period and the economic conditions during the same time period. Expected losses for the Company's collectively assessed loan segments are estimated using a number of quantitative methods including PD/LGD, Vintage, and Loss Rate.

As part of its qualitative framework, the Company evaluates its current underwriting standards, geographic footprint, national and international current and forecasted economic conditions, expected government stimulus, and other factors to estimate the impact that changes in these factors may have on expected loan losses.

The Company's ALLL for the current period is based on a two-year reasonable and supportable forecast period with a straight-line reversion over the next two years to long-term average loss factors.

Individually Assessed Reserve Consideration

Loans that do not share risk characteristics are evaluated on an individual basis. The individual reserve component relates to loans that have shown substantial credit deterioration as measured by risk rating and/or delinquency status. In addition, the Company has elected the practical expedient that would include loans for individual assessment consideration if the repayment of the loan is expected substantially through the operation or sale of collateral because the borrower is experiencing financial difficulty. Where the source of repayment is the sale of collateral, the ALLL is based on the fair value of the underlying collateral, less selling costs, compared to the amortized cost basis of the loan. If the ALLL is based on the operation of the collateral, the reserve is calculated based on the fair value of the collateral calculated as the present value of expected cash flows from the operation of the collateral, compared to the amortized cost basis. If the Company determines that the value of a collateral dependent loan is less than the recorded investment in the loan, the Company charges off the deficiency if it is determined that such amount is deemed uncollectible. Typically, a loss is confirmed when the Company is moving toward foreclosure or final disposition.

The Company obtains appraisals from a pre-approved list of independent, third party appraisers located in the market in which the collateral is located. The Company's approved appraiser list is continuously maintained by the Company's REVG to ensure the list only includes such appraisers that have the experience, reputation, character, and knowledge of the respective real estate market. At a minimum, it is ascertained that the appraiser is currently licensed in the state in which the property is located, experienced in the appraisal of properties similar to the property being appraised, has knowledge of current real estate market conditions and financing trends, and is reputable. The Company's internal REVG, which reports to the Enterprise Risk Management group, performs either a technical or administrative review of all appraisals obtained in accordance with the Company's Appraisal Policy. The Appraisal Policy mirrors the Federal regulations governing appraisals, specifically the Interagency Appraisal and Evaluation Guidelines and FIRREA. A technical review will ensure the overall quality of the appraisal, while an administrative review ensures that all of the required components of an appraisal are present. Independent appraisals or valuations are obtained on all individually assessed loans, as well as updated every twelve months for all individually assessed loans. Adjustments to real estate appraised values are only permitted to be made by the REVG. The individually assessed analysis is reviewed and approved by senior Credit Administration officers and the Special Assets Loan Committee. External valuation sources are the primary source to value collateral dependent loans; however, the Company may also utilize values obtained through other valuation sources. These alternative sources of value are used only if deemed to be more representative of value based on updated information regarding collateral resolution. The ALLL on loans individually assessed is updated, reviewed, and approved on a quarterly basis at or near the end of each reporting period.

The Company performs regular credit reviews of the loan portfolio to review the credit quality and adherence to its underwriting standards. The credit reviews include annual commercial loan reviews performed by the Company's commercial bankers in accordance with CLP, relationship reviews that accompany annual loan renewals, and independent reviews by its Loan Review Group. Upon origination, each commercial loan is assigned a risk rating ranging from one to nine, with loans closer to one having less risk. This risk rating scale is the Company's primary credit quality indicator. Consumer loans are not risk rated unless past due status, bankruptcy, or other event results in the assignment of a Substandard or worse risk rating in accordance with the consumer loan policy.

Governance

The Company's Allowance Committee, which reports to the Audit Committee and contains representatives from both the Company's finance and risk teams, is responsible for approving the Company's estimate of expected credit losses and resulting ALLL. The Allowance Committee considers the quantitative model results and qualitative factors when approving the final ALLL. The Company's ALLL model is subject to the Company's models risk management program which is overseen by the Model Risk Management Committee which reports to the Company's Board Risk Committee.

Acquired Loans – The Company has purchased loans, some of which have experienced more than insignificant credit deterioration since origination. Acquired loans are recorded at their fair value at acquisition date without carryover of the acquiree's previously established ALLL, as credit discounts are included in the determination of fair value. The fair value of the loans is determined using market participant assumptions in estimating the amount and timing of both principal and interest cash flows expected to be collected on the loans and then applying a market-based discount rate to those cash flows. During evaluation upon acquisition, acquired loans are also classified as either or PCD or acquired performing. The acquired loans are subject to the Company's ALLL Policy upon acquisition.

Acquired performing loans are accounted for under ASC 310-20, *Receivables – Nonrefundable Fees and Other Costs*. The difference between the fair value and unpaid principal balance of the loan at acquisition date (premium or discount) is amortized or accreted into interest income over the life of the loans. If the acquired performing loan has revolving privileges, it is accounted for using the straight-line method; otherwise, the effective interest method is used.

PCD loans reflect loans that have experienced more-than-insignificant credit deterioration since origination, as it is probable at acquisition that the Company will not be able to collect all contractually required payments. These PCD loans are accounted for under ASC 326. The PCD loans are segregated into pools based on loan type and credit risk. Loan type is determined based on collateral type, purpose, and lien position. Credit risk characteristics include risk rating groups, nonaccrual status, and past due status. For valuation purposes, these pools are further disaggregated by maturity, pricing characteristics, and re-payment structure.

PCD loans are recorded at the amount paid. An ALLL is determined using the same methodology as other loans held for investment. The initial ALLL is determined on a collective basis and is allocated to individual loans. The sum of the loan's purchase price and ALLL becomes its initial amortized cost basis. The difference between the initial amortized cost basis and the par value of the loan is a noncredit discount or premium, which is amortized into interest income over the life of the loan. Subsequent changes to the ALLL are recorded through provision expense.

Troubled Debt Restructurings - In situations where for economic or legal reasons related to a borrower's financial condition, the Company grants a concession in the loan structure to the borrower that it would not otherwise consider, the related loan is classified as a TDR. With the exception of loans with interest rate concessions, the ALLL on a TDR is measured using the same method as all other loans held for investment. For loans with interest rate concessions, the Company uses a discounted cash flow approach using the original interest rate. The Company strives to identify borrowers in financial difficulty early and work with them to modify their loan to more affordable terms as early as possible. These modified terms may include extension of terms that are considered to be below market, conversion to interest only, and other actions intended to minimize the economic loss and avoid foreclosure or repossession of the collateral, such as rate reductions, and principal or interest forgiveness. Restructured loans with no rate concession may subsequently be eligible to be removed from reportable TDR status in periods subsequent to the restructuring depending on the performance of the loan.

The Company reviews previously restructured loans quarterly in order to determine whether any have performed, subsequent to the restructure, at a level that would allow for them to be removed from reportable TDR status. The Company generally would consider a change in this classification if the borrower is no longer experiencing financial difficulty, the loan is current or less than 30 days past due at the time the status change is being considered, and the loan has performed under the restructured terms for a consecutive twelve-month period. A loan may also be considered for removal from TDR status as a result of a subsequent restructure under certain restrictive circumstances. The removal of TDR designations must be approved by the Company's Special Asset Loan Committee.

Loan modifications made under the Joint Guidance and CARES Act, as amended by the CAA, were suspended from TDR evaluation.

Reserve for Unfunded Commitments - The Company estimates expected credit losses over the contractual period in which the Company is exposed to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Company. The RUC is adjusted as a provision for credit loss expense and is measured using the same measurement objectives as the ALLL. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded and is included in "Other Liabilities" on the Company's Consolidated Balance Sheets.

Accrued Interest Receivable - The Company has elected to exclude accrued interest from the amortized cost basis in its determination of the ALLL, as well as the ACL reserve for securities. Accrued interest receivable at December 31, 2021 and 2020 totaled $43.3 million and $56.7 million on loans held for investment, $7.0 million and $6.8 million on HTM securities, and $14.5 million and $11.9 million, respectively, on AFS securities and is included in "Other Assets" on the Company's Consolidated Balance Sheets. The Company's policy is to write off accrued interest receivable through reversal of interest income when it becomes probable the Company will not be able to collect the accrued interest. For the years ended December 31, 2021 and 2020, accrued interest receivable write offs were not material to the Company's consolidated financial statements.

Premises and Equipment - Land is carried at cost. Premises and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method based on the type of asset involved. The Company's policy is to capitalize additions and improvements and to depreciate the cost thereof over their estimated useful lives ranging from 3 years to 40 years. Leasehold improvements are amortized over the shorter of the life of the related lease or the estimated life of the related asset. Maintenance and repairs are expensed as they are incurred.

Goodwill and Intangible Assets - The Company has an aggregate goodwill balance of $935.6 million at December 31, 2021 and 2020 associated with previous merger transactions, which is primarily associated with commercial banking. The Company follows ASC 350, *Goodwill and Other Intangible Assets,* which prescribes the accounting for goodwill and intangible assets subsequent to initial recognition. Goodwill is generally determined as the excess of the fair value of the consideration transferred, plus the fair value of any noncontrolling interests in the acquiree over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. Goodwill and intangible assets acquired in a purchase business combination and determined to have an indefinite useful life are not amortized, but tested for impairment at least annually or more frequently if events and circumstances exists that indicate that a goodwill impairment test should be performed. Goodwill is the only intangible asset with an indefinite life included on the Company's Consolidated Balance Sheets.

Intangible assets with definite useful lives are amortized over their estimated useful lives, which range from 4 to 10 years, to their estimated residual values.

Long-lived assets, including purchased intangible assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented on the Company's Consolidated Balance Sheets and reported at the lower of the carrying amount or fair value less costs to sell, would no longer depreciated. Management concluded that no circumstances indicating an impairment of these assets existed as of the balance sheet date.

The Company performs the analysis annually on April 30 of each year at the reporting unit level whereby the Company compares the estimated fair value of the reporting unit to its carrying value.

If the estimated fair value of a reporting unit exceeds its carrying value, goodwill is not considered impaired. The Company engaged a third-party valuation specialist to assist management in performing its annual goodwill impairment analysis. The last goodwill impairment analysis was conducted on April 30, 2021.

To determine the fair value of a reporting unit, the Company utilizes a combination of two separate quantitative methods, the market value approach, which considers comparable publicly-traded companies, and the income approach which estimates future cash flows. Critical assumptions that are used as part of these calculations include: the selection of comparable publicly-traded companies and selection of market comparable acquisition transactions. In addition, other key assumptions include the discount rate, the forecast of future earnings and cash flows of the reporting unit, economic conditions, which impact the assumptions related to interest and growth rates, and loss rates, the cost savings expected to be realized by a market participant, the control premium associated with the reporting unit and a relative weight given to the valuations derived by the two valuation methods.

At April 30, 2021, the Company determined that there was no impairment to its goodwill. The Company performed a sensitivity analysis on key assumptions and concluded that no impairment existed as of the balance sheet date.

Foreclosed Properties - Assets acquired through or in lieu of loan foreclosures are held for sale and are initially recorded at fair value less selling costs at the date of foreclosure, establishing a new cost basis. When the carrying amount exceeds the acquisition date fair value less selling costs, the excess is charged off against the ALLL. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less cost to sell, any valuation adjustments occurring from post-acquisition reviews are charged to expense as incurred. Revenue and expenses from operations and changes in the valuation allowance are included in other expenses on the Company's Consolidated Statements of Income.

Transfers of Financial Assets - Transfers of financial assets are accounted for as sales, when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Company – put presumptively beyond reach of the transferor and its creditors, even in bankruptcy or other receivership, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity or the ability to unilaterally cause the holder to return specific assets.

Bank Owned Life Insurance - The Company has purchased life insurance on certain key employees and directors. These policies are recorded at their cash surrender value and are included in a separate line item on the Company's Consolidated Balance Sheets. Income generated from policies is recorded as noninterest income. At December 31, 2021 and 2020, the Company also had liabilities for post-retirement benefits payable to other partial beneficiaries under some of these life insurance policies of $14.9 million and $13.8 million, respectively. The Company is exposed to credit risk to the extent an insurance company is unable to fulfill its financial obligations under a policy.

Derivatives - Derivatives are recognized as assets and liabilities on the Company's Consolidated Balance Sheets and measured at fair value. The Company's derivatives are interest rate contracts and interest rate lock commitments. The Company's hedging policies permit the use of various derivative financial instruments to manage interest rate risk or to hedge specified assets and liabilities. All derivatives are recorded at fair value on the Consolidated Balance Sheets. The Company may be required to recognize certain contracts and commitments as derivatives when the characteristics of those contracts and commitments meet the definition of a derivative. To qualify for hedge accounting, derivatives must be highly effective at reducing the risk associated with the exposure being hedged and must be designated as a hedge at the inception of the derivative contract. The Company considers a hedge to be highly effective if the change in fair value of the derivative hedging instrument is within 80% to 125% of the opposite change in the fair value of the hedged item attributable to the hedged risk. If derivative instruments are designated as hedges of fair values, and such hedges are highly effective, both the change in the fair value of the hedge and the hedged item are included in current earnings. Fair value adjustments related to cash flow hedges are recorded in OCI and are reclassified to earnings when the hedged transaction is reflected in earnings. Ineffective portions of hedges are reflected in earnings as they occur. Actual cash receipts and/or payments and related accruals on derivatives related to hedges are recorded as adjustments to the interest income or interest expense associated with the hedged item. During the life of the hedge, the Company formally assesses whether derivatives designated as hedging instruments continue to be highly effective in offsetting changes in the fair value or cash flows of hedged items. If it is determined that a hedge has ceased to be highly effective, the Company will discontinue hedge accounting prospectively. At such time, previous adjustments to the carrying value of the hedged item are reversed into current earnings and the derivative instrument is reclassified to a trading position recorded at fair value.

During the normal course of business, the Company enters into commitments to originate mortgage loans whereby the interest rate on the loan is determined prior to funding ("rate lock commitments"). For commitments issued in connection with potential loans intended for sale, the Bank enters into positions of forward month MBS to be announced ("TBA") contracts on a mandatory basis or on a one-to-one forward sales contract on a best efforts basis. The Company enters into TBA contracts in order to control interest rate risk during the period between the rate lock commitment and mandatory sale of the mortgage loan. Both the rate lock commitment and the forward TBA contract are considered to be derivatives. A mortgage loan sold on a best efforts basis is locked into a forward sales contract with a counterparty on the same day as the rate lock commitment to control interest rate risk during the period between the commitment and the sale of the mortgage loan. Both the rate lock commitment and the forward sales

contract are considered to be derivatives. Mortgage banking derivatives as of December 31, 2021 and 2020 did not have a material impact on the Company's Consolidated Financial Statements.

The market values of rate lock commitments and best efforts forward delivery commitments are not readily ascertainable with precision because they are not actively traded in stand-alone markets. The Company determines the fair value of rate lock commitments, delivery contracts, and forward sales contracts of MBS by measuring the change in the value of the underlying asset, while taking into consideration the probability that the rate lock commitments will close or will be funded. Certain risks arise from the forward delivery contracts in that the counterparties to the contracts may not be able to meet the terms of the contracts. Additional risks inherent in mandatory delivery programs include the risk that, if the Company does not close the loans subject to rate lock commitments, it will still be obligated to deliver MBS to the counterparty under the forward sales agreement.

Affordable Housing Entities - The Company invests in private investment funds that make equity investments in multifamily affordable housing properties that provide affordable housing and historic tax credits for these investments. The activities of these entities are financed with a combination of invested equity capital and debt. The Company accounts for its affordable housing entities using the proportional amortization method. Under the proportional amortization method, the Company amortizes the initial cost of the investment in proportion to the tax credits and other tax benefits received, and recognizes the net investment performance in the income statement as a component of income tax expense (benefit). For the years ended December 31, 2021 and 2020, the Company recognized amortization of $3.6 million and $3.0 million, respectively, and tax credits and tax savings of $4.3 million and $3.6 million, respectively, associated with these investments within "Income tax expense" on the Company's Consolidated Statements of Income. The carrying value of the Company's investments in these qualified affordable housing projects were $46.9 million and $38.5 million at December 31, 2021 and 2020, respectively. At December 31, 2021 and 2020, the Company's recorded liability totaled $25.7 million and $19.1 million, respectively, for the related unfunded commitments, which are expected to be paid throughout the years 2022 - 2037.

Stock Compensation Plan - The Company issues equity awards to employees and directors through either stock awards, RSAs, or PSUs. The Company complies with ASC 718, which requires the costs resulting from all stock-based payments to employees be recognized in the financial statements.

The Company's outstanding stock options related to shares assumed with the acquisition of Access. For the options assumed, the fair value of the stock options was estimated based on the date of acquisition, using the Black-Scholes option valuation. The converted option price of the Company's common stock at acquisition was used for determining the associated compensation expense for nonvested stock awards. The valuation was used in 2021, 2020, and 2019 to determine the valuation of the stock options. Key assumptions used in the valuation were dividend yield, expected life, expected volatility, and the risk free rate.

For the years ended December 2021, 2020, and 2019, the fair value of PSUs are determined and fixed on the grant date based on the Company's stock price, adjusted for the exclusion of dividend equivalents, and the Monte Carlo simulation valuation was used to determine the grant date fair value of PSUs granted.

The fair value of RSAs and stock awards are based on the trading price of the Company's stock on the date of the grant.

ASC 718 requires the Company to estimate forfeitures when recognizing compensation expense and that this estimate of forfeitures be adjusted over the requisite service period or vesting schedule based on the extent to which actual forfeitures differ from such estimates. Changes in estimated forfeitures are recognized through a cumulative catch-up adjustment, which is recognized in the period of change, and also will affect the amount of estimated unamortized compensation expense to be recognized in future periods.

For more information and tables refer to Note 16 "Employee Benefits and Stock Based Compensation."

Income Taxes - Deferred income tax assets and liabilities are determined using the asset and liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is determined based on the tax effects of the temporary differences between the book and tax bases of the various balance sheet assets and liabilities and gives current recognition to changes in tax rates and laws. Deferred taxes are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50% likely to be realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits on the Company's Consolidated Balance Sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination.

Interest and penalties associated with unrecognized tax benefits are classified as additional income taxes on the Company's Consolidated Statements of Income. The Company did not record any material interest or penalties for the periods ending December 31, 2021, 2020, or 2019 related to tax positions taken. As of December 31, 2021 and 2020, there were no accruals for uncertain tax positions. The Company and its wholly-owned subsidiaries file a consolidated income tax return. Each entity provides for income taxes based on its contribution to income or loss of the consolidated group.

Advertising Costs - The Company expenses advertising costs as incurred.

Earnings Per Common Share – Basic EPS is computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding during the year. Diluted EPS reflect additional common shares that would have been outstanding if dilutive potential common shares had been issued, as well as any adjustment to income that would result from the assumed issuance. Potential common shares that may be issued by the Company relate solely to outstanding stock options and restricted stock and are determined using the treasury stock method.

Comprehensive Income - Comprehensive income represents all changes in equity that result from recognized transactions and other economic events of the period. Other comprehensive income (loss) refers to revenues, expenses, gains, and losses under GAAP that are included in comprehensive income but excluded from net income, such as unrealized gains and losses on certain investments in debt and equity securities and interest rate swaps.

Off Balance Sheet Credit Related Financial Instruments - In the ordinary course of business, the Company has entered into commitments to extend credit and letters of credit. Such financial instruments are recorded when they are funded. For more information and tables refer Note 10 "Commitments and Contingencies."

Fair Value - The Company follows ASC 820 to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. This codification clarifies that fair value of certain assets and liabilities is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing market participants.

ASC 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. The three levels of the fair value hierarchy under ASC 820 based on these two types of inputs are as follows: Level 1 valuation is based on quoted prices in active markets for identical assets and liabilities; Level 2 valuation is based on observable inputs including quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets and liabilities in less active markets, and model-based valuation techniques for which significant assumptions can be derived primarily from or corroborated by observable data in the markets; and Level 3 valuation is based on model-based techniques that use one or more significant inputs or assumptions that are unobservable in the market. These unobservable inputs reflect the Company's assumptions about what market participants would use and information that is reasonably available under the circumstances without undue cost and effort.

For more specific information on the valuation techniques used by the Company to measure certain financial assets and liabilities recorded at fair value in the financial statements refer to Note 14 "Fair Value Measurements."

Concentrations of Credit Risk - Most of the Company's activities are with customers located in the Commonwealth of Virginia. Securities AFS, loans, and financial instruments with off balance sheet risk also represent concentrations of credit risk and are discussed in Note 3 "Securities," Note 4 "Loans and Allowance for Loan and Lease Losses," and Note 12 "Stockholders' Equity," respectively.

Reclassifications – The accompanying consolidated financial statements and notes reflect certain reclassifications in prior periods to conform to the current presentation.

Impact of COVID-19 - As a result of the COVID-19 global pandemic, actions were taken around the world to help mitigate the spread of COVID-19, which have impacted the economies and financial markets of many countries, including the geographical area in which the Company operates. On March 27, 2020, the CARES Act was signed into law. On March 22, 2020, the five federal bank regulatory agencies and the Conference of State Bank Supervisors issued joint guidance (subsequently revised on April 7, 2020) with respect to loan modifications for borrowers affected by COVID-19. The CARES Act, as well as the Joint Guidance, provide enhanced guidelines and accounting relief for COVID-19 related modifications.

The federal banking regulators confirmed with FASB that short-term loan modifications made on a good faith basis in response to COVID-19 to borrowers who were current (i.e., less than 30 days past due on contractual payments) prior to any loan modification are not considered TDRs.

In addition, Section 4013 of the CARES Act, as amended by the CAA, provides banks, savings associations, and credit unions with the ability to make loan modifications related to COVID-19 without categorizing the loan as a TDR or conducting the analysis to make the determination, which is intended to streamline the loan modification process. Any such suspension is effective for the term of the loan modification; however, the suspension is only permitted for loan modifications made during the effective period of Section 4013 and only for those loans that were not more than 30 days past due as of December 31, 2019. The relief afforded by Section 4013 of the CARES Act, as amended by the CAA, was available to loans modified between March 1, 2020 and January 1, 2022.

The Company participated in the SBA PPP under the CARES Act, which was intended to provide economic relief to small businesses that had been adversely impacted by COVID-19. The PPP loan funding program expired on May 31, 2021. The Company had PPP loans with a recorded investment of $154.7 million and $1.2 billion and unamortized deferred fees of $4.4 million and $17.6 million as of December 31, 2021 and 2020, respectively. The loans carry a 1% interest rate.

Adoption of New Accounting Standards - In March 2020, the FASB issued Topic 848. This guidance provides temporary, optional guidance to ease the potential burden in accounting for reference rate reform associated with the LIBOR transition. LIBOR and other interbank offered rates are widely used benchmark or reference rates that have been used in the valuation of loans, derivatives, and other financial contracts. Topic 848 provides optional expedients and exceptions for applying GAAP to contract modifications and hedging relationships, subject to meeting certain criteria, that reference LIBOR or another reference rate expected to be discontinued. Topic 848 is intended to help stakeholders during the global market-wide reference rate transition period. The amendments are effective as of March 12, 2020 through December 31, 2022 and can be adopted at an instrument level. As of December 31, 2021, the Company utilized the expedient to assert probability of the hedged interest, regardless of any expected modification in terms related to reference rate reform for the newly executed cash flow hedges. The Company expects to incorporate other components of Topic 848 at a later date. This amendment does not have a material impact on the consolidated financial statements.

On January 1, 2021, the Company adopted Topic 740. This guidance was issued to simplify accounting for income taxes by removing specific technical exceptions that often produce information difficult for users of financial statements to understand. The amendments also improve consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidance. The Company's adoption of Topic 740 did not have a material impact on the consolidated financial statements.

On January 1, 2020, the Company adopted ASC 326. This ASU updates the existing guidance to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. This ASU replaces the incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, including loan receivables and HTM debt securities. It also applies to unfunded credit exposures not accounted for as insurance (loan commitments, letters of credit, financial guarantees, and other similar instruments). The Company established a cross-functional governance structure to oversee the Company's implementation of the CECL methodology, which included evaluating key assumptions used and assessing the internal controls over financial reporting related to the adoption of ASC 326. The Company adopted ASC 326 using the modified retrospective method for all financial assets measured at amortized cost and unfunded credit exposures. Results for reporting periods beginning after January 1, 2020 are presented under ASC 326, while prior period amounts continue to be reported in accordance with previously applicable GAAP. As a result of adopting ASC 326, the Company recorded a net decrease to retained earnings of $39.1 million.

ASC 326 also replaced the Company's current accounting for PCI loans. With the adoption of ASC 326, previously classified PCI loans are now classified as PCD loans. In accordance with ASC 326, the Company did not re-assess whether individual modifications were needed to individual acquired financial assets accounted for in the pools with TDRs as of the date of adoption. The Company adopted ASC 326 using the prospective transition approach for financial assets with PCD that were previously identified as PCI and accounted for under ASC 310-30. On January 1, 2020, the amortized cost basis of the PCD assets were adjusted to reflect the addition of $2.4 million to the ALLL. The remaining noncredit discount (based on the adjusted amortized cost basis) will be accreted into interest income at the effective interest rate as of January 1, 2020.

The Company adopted ASC 326 using the prospective transition approach for debt securities. The effective interest rate on these debt securities was not changed. Upon adoption of ASC 326, the Company did not have any securities included in its portfolio where OTTI had previously been recognized.

The following table illustrates the impact of ASC 326.

	December 31, 2019	January 1, 2020	January 1, 2020
	As Previously Reported (Incurred Loss)	Impact of CECL Adoption	As Reported Under CECL
Assets:			
Loans			
Commercial	$ 30,941	$ 6,184	$ 37,125
Consumer	11,353	41,300	52,653
Allowance for loan and lease losses	42,294	47,484	89,778
Liabilities:			
Allowance for credit losses on unfunded credit exposure	900	4,160	5,060
Total Allowance for credit losses	$ **43,194**	$ **51,644**	$ **94,838**

Detailed below are the Company's accounting policies specific to Loans and the Allowance for Loan and Lease Losses and Investment Securities that were in effect prior to the adoption of ASC 326 on January 1, 2020.

Allowance for loan and lease losses – prior to the adoption of ASC 326 - The provision for loan losses charged to operations was an amount sufficient to bring the ALL to an estimated balance that management considered adequate to absorb probable losses inherent in the portfolio. Loans were charged against the allowance when management believed the collectability of the principal was unlikely, while recoveries of amounts previously charged-off were credited to the ALL. Management's determination of the adequacy of the ALL was based on an evaluation of the composition of the loan portfolio, the value and adequacy of collateral, current economic conditions, historical loan loss experience, and other risk factors.

A loan was considered impaired when, based on current information and events, it was probable that the Company will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Loans that experienced insignificant payment delays and payment shortfalls generally were not classified as impaired. Management determined the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed. Impairment was measured on a loan-by-loan basis by either the present value of expected future cash flows discounted at the loan's effective interest rate, the loan's obtainable market price, or the fair value of the collateral. The impairment loan policy was the same for all segments within the commercial loan segment.

For the consumer loan segment, large groups of smaller balance homogeneous loans were collectively evaluated for impairment. This evaluation subjected each of the Company's homogenous pools to a historical loss factor derived from net charge-offs experienced over the preceding 24 quarters. The Company applied payments received on impaired loans to principal and interest based on the contractual terms until they were placed on nonaccrual status. All payments received were then applied to reduce the principal balance and recognition of interest income is terminated as previously discussed.

The Company's ALL consisted of specific, general, and qualitative components.

The specific reserve component related to impaired loans. Upon being identified as impaired, for loans not considered to be collateral-dependent, an ALL was established when the discounted cash flows of the impaired loan was lower than the carrying value of that loan. The impairment of significant collateral-dependent loans was measured based on the fair value of the underlying collateral, less selling costs, compared to the carrying value of the loan. If the Company determined that the value of an impaired collateral dependent loan was less than the recorded investment in the loan, the Company charged off the deficiency if it was determined that such amount represented a confirmed loss. Typically, a loss was confirmed when the Company was moving towards foreclosure or final disposition.

The general reserve component covered non-impaired loans and was quantitatively derived from an estimate of credit losses adjusted for various qualitative factors applicable to both commercial and consumer loan segments. The estimate of credit losses was a function of the net charge-off historical loss experience to the average loan balance of the portfolio averaged during a period that management had determined to adequately reflect the losses inherent in the loan portfolio. The Company had implemented a rolling 24-quarter look back period, which was re-evaluated on a periodic basis to ensure the reasonableness of the period being used. The qualitative component included adjustments for current portfolio specific credit risks and local and national economic trends.

Acquired loans were recorded at their fair value at acquisition date without carryover of the acquiree's previously established ALL, as credit discounts were included in the determination of fair value. The fair value of the loans were determined using market participant assumptions in estimating the amount and timing of both principal and interest cash flows expected to be collected on the loans and then applying a market-based discount rate to those cash flows. During evaluation upon acquisition, acquired loans were also classified as either acquired impaired (or PCI) or acquired performing.

Acquired performing loans were accounted for under ASC 310-20, Receivables – Nonrefundable Fees and Other Costs. The difference between the fair value and unpaid principal balance of the loan at acquisition date (premium or discount) was amortized or accreted into interest income over the life of the loans. If the acquired performing loan has revolving privileges, it was accounted for using the straight-line method; otherwise, the effective interest method is used.

Acquired impaired loans reflected credit quality deterioration since origination, as it was probable at acquisition that the Company would not be able to collect all contractually required payments. These PCI loans were accounted for under ASC 310-30, Receivables – Loans and Debt Securities Acquired with Deteriorated Credit Quality. The PCI loans were segregated into pools based on loan type and credit risk. Loan type was determined based on collateral type, purpose, and lien position. Credit risk characteristics included risk rating groups, nonaccrual status, and past due status. For valuation purposes, these pools were further disaggregated by maturity, pricing characteristics, and re-payment structure. PCI loans were written down at acquisition to fair value using an estimate of cash flows deemed to be collectible. Accordingly, such loans were no longer classified as nonaccrual even though they may be contractually past due because the Company expected to fully collect the new carrying values of such loans, which is the new cost basis arising from purchase accounting.

Quarterly, management performed a recast of PCI loans based on updated future expected cash flows, which was updated through reassessment of default rates, loss severity, and prepayment speed assumptions. The excess of the cash flows expected to be collected over a pool's carrying value was considered to be the accretable yield and was recognized as interest income over the estimated life of the loan or pool using the effective yield method.

The excess of the undiscounted contractual balances due over the cash flows expected to be collected was considered to be the nonaccretable difference, which represented the estimate of credit losses expected to occur and was considered in determining the fair value of loan at the acquisition date. Any subsequent increases in expected cash flows over those expected at the acquisition date in excess of fair value were adjusted through an increase in the accretable yield on a prospective basis; any decreases in expected cash flows attributable to credit deterioration are recognized by recording a provision for loan losses.

The PCI loans were subject to the Company's internal and external credit review and monitoring. If further credit deterioration was experienced, such deterioration was measured and the provision for loan losses was increased. A loan was removed from the pool (at its carrying value) if the loan was sold, foreclosed, or assets were received in full satisfaction of the loan.

2. ACQUISITIONS

Access Acquisition

On February 1, 2019, the Company completed its acquisition of Access National Corporation (and its subsidiaries), a bank holding company based in Reston, Virginia. Holders of shares of Access's common stock received 0.75 shares of the Company's common stock in exchange for each share of Access's common stock, resulting in the Company issuing 15,842,026 shares of the Company's common stock at a fair value of approximately $500.0 million. In addition, the Company paid cash of approximately $12,000 in lieu of fractional shares.

The transaction was accounted for using the acquisition method of accounting and, accordingly, assets acquired, liabilities assumed, and consideration exchanged were recorded at estimated fair values on the acquisition date. Fair values are preliminary and subject to refinement for up to one year after the closing date of the acquisition, in accordance with ASC 350. The measurement period was formally closed as of February 1, 2020, and the Company did not make any measurement period adjustments in 2020.

There were no merger-related costs associated with the acquisition of Access for the years ended December 31, 2021 and 2020. Merger-related costs associated with the acquisition of Access were $26.2 million for the year ended December 31, 2019. Such costs include legal and accounting fees, lease and contract termination expenses, system conversion, and employee severances, which have been expensed as incurred.

3. SECURITIES

Available for Sale

The Company's AFS investment portfolio is generally highly-rated or agency backed. All AFS securities were current with no securities past due or on non-accrual as of December 31, 2021 and 2020.

The amortized cost, gross unrealized gains and losses, and estimated fair values of AFS securities as of December 31, 2021 are summarized as follows (dollars in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
December 31, 2021				
U.S. government and agency securities	**$ 73,830**	**$ 179**	**$ (160)**	**$ 73,849**
Obligations of states and political subdivisions	**971,126**	**39,343**	**(2,073)**	**1,008,396**
Corporate and other bonds [1]	**150,201**	**3,353**	**(178)**	**153,376**
Commercial MBS				
Agency	**361,806**	**6,761**	**(4,215)**	**364,352**
Non-agency	**107,087**	**139**	**(421)**	**106,805**
Total commercial MBS	**468,893**	**6,900**	**(4,636)**	**471,157**
Residential MBS				
Agency	**1,691,651**	**15,180**	**(24,337)**	**1,682,494**
Non-agency	**91,443**	**243**	**(948)**	**90,738**
Total residential MBS	**1,783,094**	**15,423**	**(25,285)**	**1,773,232**
Other securities	**1,640**	**—**	**—**	**1,640**
Total AFS securities	**$ 3,448,784**	**$ 65,198**	**$ (32,332)**	**$ 3,481,650**

(1) *Other bonds includes asset-backed securities.*

The amortized cost, gross unrealized gains and losses, and estimated fair values of AFS securities as of December 31, 2020 are summarized as follows (dollars in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
December 31, 2020				
U.S. government and agency securities	$ 13,009	$ 437	$ (52)	$ 13,394
Obligations of states and political subdivisions	786,466	50,878	(18)	837,326
Corporate and other bonds [1]	148,747	2,430	(99)	151,078
Commercial MBS				
Agency	321,015	16,277	(2)	337,290
Non-agency	51,244	167	(17)	51,394
Total commercial MBS	372,259	16,444	(19)	388,684
Residential MBS				
Agency	1,012,237	31,816	(1,946)	1,042,107
Non-agency	104,904	1,507	(206)	106,205
Total residential MBS	1,117,141	33,323	(2,152)	1,148,312
Other securities	1,625	—	—	1,625
Total AFS securities	$ 2,439,247	$ 103,512	$ (2,340)	$ 2,540,419

(1) *Other bonds includes asset-backed securities.*

The following table shows the gross unrealized losses and fair value of the Company's AFS securities with unrealized losses for which an ACL has not been recorded at December 31, 2021 and 2020 and that are not deemed to be impaired as of those dates. These are aggregated by investment category and length of time that the individual securities have been in a continuous unrealized loss position (dollars in thousands).

	Less than 12 months		More than 12 months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
December 31, 2021						
U.S. government and agency securities	**$ 64,474**	**$ (115)**	**$ 3,900**	**$ (45)**	**$ 68,374**	**$ (160)**
Obligations of states and political subdivisions	**249,701**	**(2,020)**	**2,123**	**(53)**	**251,824**	**(2,073)**
Corporate and other bonds[1]	**21,134**	**(177)**	**703**	**(1)**	**21,837**	**(178)**
Commercial MBS						
Agency	**175,588**	**(4,053)**	**3,172**	**(162)**	**178,760**	**(4,215)**
Non-agency	**33,759**	**(313)**	**11,029**	**(108)**	**44,788**	**(421)**
Total commercial MBS	**209,347**	**(4,366)**	**14,201**	**(270)**	**223,548**	**(4,636)**
Residential MBS						
Agency	**1,140,701**	**(21,147)**	**106,104**	**(3,190)**	**1,246,805**	**(24,337)**
Non-agency	**48,392**	**(584)**	**12,716**	**(364)**	**61,108**	**(948)**
Total residential MBS	**1,189,093**	**(21,731)**	**118,820**	**(3,554)**	**1,307,913**	**(25,285)**
Total AFS securities	**$ 1,733,749**	**$ (28,409)**	**$ 139,747**	**$ (3,923)**	**$ 1,873,496**	**$ (32,332)**
December 31, 2020						
U.S. government and agency securities	$ —	$ —	$ 5,456	$ (52)	$ 5,456	$ (52)
Obligations of states and political subdivisions	5,091	(18)	—	—	5,091	(18)
Corporate and other bonds[1]	17,946	(52)	10,698	(47)	28,644	(99)
Commercial MBS						
Agency	5,893	(2)	376	—	6,269	(2)
Non-agency	17,654	(17)	—	—	17,654	(17)
Total commercial MBS	23,547	(19)	376	—	23,923	(19)
Residential MBS						
Agency	219,388	(1,944)	1,055	(2)	220,443	(1,946)
Non-agency	36,942	(206)	—	—	36,942	(206)
Total residential MBS	256,330	(2,150)	1,055	(2)	257,385	(2,152)
Total AFS securities	$ 302,914	$ (2,239)	$ 17,585	$ (101)	$ 320,499	$ (2,340)

[1] *Other bonds includes asset-backed securities*

As of December 31, 2021, there were $139.7 million, comprised of 33 individual AFS securities that had been in a continuous loss position for more than 12 months and had an aggregate unrealized loss of $3.9 million. As of December 31, 2020, there were $17.6 million, comprised of 15 individual securities that had been in a continuous loss position for more than 12 months and had an aggregate unrealized loss of $101,000.

The Company has evaluated AFS securities in an unrealized loss position for credit related impairment at December 31, 2021 and 2020 and concluded no impairment existed based on several factors which included: (1) the majority of these securities are of high credit quality, (2) unrealized losses are primarily the result of market volatility, (3) the contractual terms of the investments do not permit the issuer(s) to settle the securities at a price less than the cost basis of each investment, (4) issuers continue to make timely principal and interest payments, and (5) the Company does not intend to sell any of the investments and the accounting standard of "more likely than not" has not been met for the Company to be required to sell any of the investments before recovery of its amortized cost basis.

Additionally, the majority of the Company's MBS are issued by FNMA, FHLMC, and GNMA and do not have credit risk given the implicit and explicit government guarantees associated with these agencies. In addition, the non-agency mortgage-backed and asset-backed securities generally received a 20% SSFA rating.

The following table presents the amortized cost and estimated fair value of AFS securities as of December 31, 2021 and 2020, by contractual maturity (dollars in thousands). Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	December 31, 2021		December 31, 2020	
	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
Due in one year or less	**$ 18,247**	**$ 18,317**	$ 19,875	$ 19,997
Due after one year through five years	**180,080**	**183,981**	161,448	169,103
Due after five years through ten years	**324,615**	**331,215**	235,021	242,791
Due after ten years	**2,925,842**	**2,948,137**	2,022,903	2,108,528
Total AFS securities	**$ 3,448,784**	**$ 3,481,650**	$ 2,439,247	$ 2,540,419

Refer to Note 10 "Commitments and Contingencies" for information regarding the estimated fair value of AFS securities that were pledged to secure public deposits, repurchase agreements, and for other purposes as permitted or required by law as of December 31, 2021 and 2020.

Held to Maturity

The Company’s HTM investment portfolio primarily consists of highly-rated municipal securities. The Company’s HTM securities were all current, with no securities past due or on non-accrual at December 31, 2021 and 2020.

The Company reports HTM securities on the Company’s Consolidated Balance Sheets at carrying value. Carrying value is amortized cost, which includes any unamortized unrealized gains and losses recognized in accumulated other comprehensive income prior to reclassifying the securities from AFS securities to HTM securities. Investment securities transferred into the HTM category from the AFS category are recorded at fair value at the date of transfer. The unrealized holding gain or loss at the date of transfer is retained in accumulated other comprehensive income and in the carrying value of the HTM securities. Such unrealized gains or losses are accreted over the remaining life of the security with no impact on future net income.

The carrying value, gross unrealized gains and losses, and estimated fair values of HTM securities as of December 31, 2021 are summarized as follows (dollars in thousands):

	Carrying Value	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
December 31, 2021				
U.S. government and agency securities	**$ 2,604**	**$ —**	**$ (29)**	**$ 2,575**
Obligations of states and political subdivisions	**620,873**	**65,982**	**(121)**	**686,734**
Commercial MBS				
Agency	**4,523**	**—**	**(58)**	**4,465**
Total commercial MBS	**4,523**	**—**	**(58)**	**4,465**
Total held-to-maturity securities	**$ 628,000**	**$ 65,982**	**$ (208)**	**$ 693,774**

The carrying value, gross unrealized gains and losses, and estimated fair values of HTM securities as of December 31, 2020 are summarized as follows (dollars in thousands):

	Carrying Value	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
December 31, 2020				
U.S. government and agency securities	$ 2,751	$ —	$ (18)	$ 2,733
Obligations of states and political subdivisions	536,767	74,978	—	611,745
Commercial MBS				
Agency	5,333	4	(50)	5,287
Total commercial MBS	5,333	4	(50)	5,287
Total held-to-maturity securities	$ 544,851	$ 74,982	$ (68)	$ 619,765

Credit Quality Indicators & Allowance for Credit Losses - HTM

For HTM securities, the Company evaluates the credit risk of its securities on at least a quarterly basis. The Company estimates expected credit losses on HTM debt securities on an individual basis based on the PD/LGD methodology primarily using security-level credit ratings. The Company's HTM securities ACL was immaterial at December 31, 2021 and 2020. The primary indicators of credit quality for the Company's HTM portfolio are security type and credit rating, which is influenced by a number of factors including obligor cash flow, geography, seniority, and others. The Company's only HTM securities with credit risk are obligations of states and political subdivisions.

The following table presents the amortized cost of HTM securities as of December 31, 2021 and 2020 by security type and credit rating (dollars in thousands):

	U.S. Government and Agency securities	Obligations of states and political subdivisions	Mortgage-backed securities	Total HTM securities
December 31, 2021				
Credit Rating:				
AAA/AA/A	$ —	$ **620,873**	$ —	$ **620,873**
Not Rated - Agency[1]	**2,604**	**—**	**4,523**	**7,127**
Total	$ **2,604**	$ **620,873**	$ **4,523**	$ **628,000**
December 31, 2020				
Credit Rating:				
AAA/AA/A	$ —	$ 532,157	$ —	$ 532,157
Not Rated - Agency[1]	2,751	—	5,333	8,084
Not Rated - Non-Agency	—	4,610	—	4,610
Total	$ 2,751	$ 536,767	$ 5,333	$ 544,851

[1] *Generally considered not to have credit risk given the government guarantees associated with these agencies*

The following table presents the amortized cost and estimated fair value of HTM securities as of December 31, 2021 and 2020, by contractual maturity (dollars in thousands). Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	December 31, 2021		December 31, 2020	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Due in one year or less	**$ 3,034**	**$ 3,027**	$ 1,443	$ 1,460
Due after one year through five years	**5,852**	**6,065**	8,577	8,893
Due after five years through ten years	**14,019**	**15,984**	1,744	1,805
Due after ten years	**605,095**	**668,698**	533,087	607,607
Total HTM securities	**$ 628,000**	**$ 693,774**	$ 544,851	$ 619,765

Refer to Note 10 “Commitments and Contingencies” for information regarding the estimated fair value of HTM securities that were pledged to secure public deposits as permitted or required by law as of December 31, 2021 and December 31, 2020.

Restricted Stock, at cost

Due to restrictions placed upon the Bank’s common stock investment in the FRB and the FHLB, these securities have been classified as restricted equity securities and carried at cost. These restricted securities are not subject to the investment security classifications and are included as a separate line item on the Company’s Consolidated Balance Sheets. Restricted stock consists of FRB stock in the amount of $67.0 million for December 31, 2021 and 2020, and FHLB stock in the amount of $9.8 million and $27.8 million as of December 31, 2021 and 2020, respectively.

Realized Gains and Losses

The following table presents the gross realized gains and losses on and the proceeds from the sale of securities during the years ended December 31, 2021, 2020, and 2019 (dollars in thousands):

	2021	2020	2019
Realized gains (losses)[(1)]:			
Gross realized gains	**$ 147**	$ 12,522	$ 9,530
Gross realized losses	**(60)**	(228)	(1,855)
Net realized gains	**$ 87**	$ 12,294	$ 7,675
Proceeds from sales of securities	**$ 45,436**	$ 257,945	$ 514,070

(1) *Includes gains (losses) on sales and calls of securities*

4. LOANS AND ALLOWANCE FOR LOAN AND LEASE LOSSES

On January 1, 2020, the Company adopted ASC 326. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, including loan receivables. For further discussion on the Company's accounting policies and policy elections related to the accounting standard update refer to Note 1 "Summary of Significant Accounting Policies" in this Form 10-K. All loan information presented as of December 31, 2021 and 2020 is in accordance with ASC 326. All loan information presented prior to January 1, 2020 is in accordance with previous applicable GAAP.

The information included below reflects the impact of the CARES Act, as amended by the CAA, and the Joint Guidance. See Note 1 "Summary of Significant Accounting Policies" in this Form 10-K for information about COVID-19 and related legislative and regulatory developments.

Loans are stated at their face amount, net of deferred fees and costs, and consist of the following at December 31, 2021 and 2020 (dollars in thousands):

	2021	2020
Construction and Land Development	**$ 862,236**	$ 925,798
Commercial Real Estate - Owner Occupied	**1,995,409**	2,128,909
Commercial Real Estate - Non-Owner Occupied	**3,789,377**	3,657,562
Multifamily Real Estate	**778,626**	814,745
Commercial & Industrial[1]	**2,542,243**	3,263,460
Residential 1-4 Family - Commercial	**607,337**	671,949
Residential 1-4 Family - Consumer	**816,524**	822,866
Residential 1-4 Family - Revolving	**560,796**	596,996
Auto	**461,052**	401,324
Consumer	**176,992**	247,730
Other Commercial[2]	**605,251**	489,975
Total LHFI, net of deferred fees and costs[3]	**13,195,843**	14,021,314
Allowance for loan and lease losses	**(99,787)**	(160,540)
Total LHFI, net	**$ 13,096,056**	$ 13,860,774

[1]*Commercial & industrial loans include approximately $145.3 million and $1.2 billion in loans from the PPP at December 31, 2021 and December 31, 2020, respectively.*

[2]*Other commercial loans include approximately $5.1 million and $11.3 million in loans from the PPP at December 31, 2021 and, December 31, 2020, respectively.*

[3]*Total loans include unamortized premiums and discounts, and unamortized deferred fees and costs totaling $49.3 million and $69.7 million as of December 31, 2021 and December 31, 2020, respectively.*

The following table shows the aging of the Company's loan portfolio, by class, at December 31, 2021 (dollars in thousands):

	Current	30-59 Days Past Due	60-89 Days Past Due	Greater than 90 Days and still Accruing	Nonaccrual	Total Loans
Construction and Land Development	**$ 857,883**	**$ 1,357**	**$ —**	**$ 299**	**$ 2,697**	**$ 862,236**
Commercial Real Estate - Owner Occupied	**1,987,133**	**1,230**	**152**	**1,257**	**5,637**	**1,995,409**
Commercial Real Estate - Non-Owner Occupied	**3,783,211**	**1,965**	**127**	**433**	**3,641**	**3,789,377**
Multifamily Real Estate	**778,429**	**84**	**—**	**—**	**113**	**778,626**
Commercial & Industrial	**2,536,100**	**1,161**	**1,438**	**1,897**	**1,647**	**2,542,243**
Residential 1-4 Family - Commercial	**601,946**	**1,844**	**272**	**990**	**2,285**	**607,337**
Residential 1-4 Family - Consumer	**795,821**	**3,368**	**2,925**	**3,013**	**11,397**	**816,524**
Residential 1-4 Family - Revolving	**554,652**	**1,493**	**363**	**882**	**3,406**	**560,796**
Auto	**458,473**	**1,866**	**249**	**241**	**223**	**461,052**
Consumer	**175,943**	**689**	**186**	**120**	**54**	**176,992**
Other Commercial	**605,214**	**37**	**—**	**—**	**—**	**605,251**
Total LHFI	**$ 13,134,805**	**$ 15,094**	**$ 5,712**	**$ 9,132**	**$ 31,100**	**$ 13,195,843**
% of total loans	**99.54 %**	**0.11 %**	**0.04 %**	**0.07 %**	**0.24 %**	**100.00 %**

The following table shows the aging of the Company's loan portfolio, by class, at December 31, 2020 (dollars in thousands):

	Current	30-59 Days Past Due	60-89 Days Past Due	Greater than 90 Days and still Accruing	Nonaccrual	Total Loans
Construction and Land Development	$ 920,276	$ 1,903	$ 547	$ —	$ 3,072	$ 925,798
Commercial Real Estate - Owner Occupied	2,114,804	1,870	1,380	3,727	7,128	2,128,909
Commercial Real Estate - Non-Owner Occupied	3,651,232	2,144	1,721	148	2,317	3,657,562
Multifamily Real Estate	814,095	617	—	—	33	814,745
Commercial & Industrial	3,257,201	1,848	1,190	1,114	2,107	3,263,460
Residential 1-4 Family - Commercial	657,351	2,227	818	1,560	9,993	671,949
Residential 1-4 Family - Consumer	792,852	10,182	1,533	5,699	12,600	822,866
Residential 1-4 Family - Revolving	587,522	2,975	1,044	826	4,629	596,996
Auto	398,206	2,076	376	166	500	401,324
Consumer	245,551	1,166	550	394	69	247,730
Other Commercial	489,959	16	—	—	—	489,975
Total LHFI	$ 13,929,049	$ 27,024	$ 9,159	$ 13,634	$ 42,448	$ 14,021,314
% of total loans	99.34 %	0.19 %	0.07 %	0.10 %	0.30 %	100.00 %

The following table shows the Company's amortized cost basis of loans on nonaccrual status as of December 31, 2020, as well as amortized cost basis of loans on nonaccrual status and loans past due 90 days and still accruing as of December 31, 2021 (dollars in thousands):

	Nonaccrual			
	December 31, 2020	December 31, 2021	Nonaccrual With No ALLL	90 Days Past due and still Accruing
Construction and Land Development	**$ 3,072**	**$ 2,697**	**$ 1,985**	**$ 299**
Commercial Real Estate - Owner Occupied	**7,128**	**5,637**	**970**	**1,257**
Commercial Real Estate - Non-Owner Occupied	**2,317**	**3,641**	**1,089**	**433**
Multifamily Real Estate	**33**	**113**	**—**	**—**
Commercial & Industrial	**2,107**	**1,647**	**1**	**1,897**
Residential 1-4 Family - Commercial	**9,993**	**2,285**	**—**	**990**
Residential 1-4 Family - Consumer	**12,600**	**11,397**	**—**	**3,013**
Residential 1-4 Family - Revolving	**4,629**	**3,406**	**—**	**882**
Auto	**500**	**223**	**—**	**241**
Consumer	**69**	**54**	**—**	**120**
Total LHFI	**$ 42,448**	**$ 31,100**	**$ 4,045**	**$ 9,132**

The following table shows the Company's amortized cost basis of loans on nonaccrual status as of January 1, 2020 as well as amortized cost basis of loans on nonaccrual status and loans past due 90 days and still accruing as of December 31, 2020 (dollars in thousands):

	Nonaccrual			
	January 1, 2020	December 31, 2020	Nonaccrual With No ALLL	90 Days Past due and still Accruing
Construction and Land Development	$ 4,060	$ 3,072	$ 1,985	$ —
Commercial Real Estate - Owner Occupied	13,889	7,128	1,994	3,727
Commercial Real Estate - Non-Owner Occupied	1,368	2,317	—	148
Multifamily Real Estate	—	33	—	—
Commercial & Industrial	3,037	2,107	1	1,114
Residential 1-4 Family - Commercial	6,492	9,993	6,388	1,560
Residential 1-4 Family - Consumer	13,117	12,600	1,069	5,699
Residential 1-4 Family - Revolving	2,490	4,629	60	826
Auto	565	500	—	166
Consumer	88	69	—	394
Other Commercial	98	—	—	—
Total LHFI	$ 45,204	$ 42,448	$ 11,497	$ 13,634

There was no interest income recognized on nonaccrual loans during the years ended December 31, 2021 and 2020. See Note 1 "Summary of Significant Accounting Policies" for additional information on the Company's policies for nonaccrual loans.

Troubled Debt Restructurings

The CARES Act, as amended by the CAA, permits financial institutions to suspend requirements under GAAP for loan modifications to borrowers affected by COVID-19 that would otherwise be characterized as TDRs and suspend any determination related thereto if (i) the loan modification is made between March 1, 2020 and the earlier of January 1, 2022 or 60 days after the end of the COVID-19 emergency declaration and (ii) the applicable loan was not more than 30 days past due as of December 31, 2019. In addition, federal bank regulatory authorities also issued guidance to encourage financial institutions to make loan modifications for borrowers affected by COVID-19 and have assured financial institutions that they will neither receive supervisory criticism for such prudent loan modifications, nor be required by examiners to automatically categorize COVID-19-related loan modifications as TDRs. As of December 31, 2021, there were no material loans still under their modified terms. As of December 31, 2020, the Company had approximately $146.1 million in loans still under their modified terms. The Company's modification program primarily included payment deferrals and interest only modifications.

As of December 31, 2021, the Company has TDRs totaling $18.0 million with an estimated $859,000 of allowance for those loans for the current period. As of December 31, 2020, the Company had TDRs totaling $20.6 million with an estimated $1.6 million of allowance for those loans.

A TDR occurs when a lender, for economic or legal reasons, grants a concession to the borrower related to the borrower's financial difficulties, that it would not otherwise consider. All loans that are considered to be TDRs are evaluated for credit losses in accordance with the Company's ALLL methodology. For the years ended December 31, 2021 and 2020, the recorded investment in TDRs prior to modifications was not materially impacted by the modifications.

The following table provides a summary, by class, of TDRs that continue to accrue interest under the terms of the applicable restructuring agreement, which are considered to be performing, and TDRs that have been placed on nonaccrual status, which are considered to be nonperforming, as of December 31, 2021 and 2020 (dollars in thousands):

	December 31, 2021			December 31, 2020		
	No. of Loans	Recorded Investment	Outstanding Commitment	No. of Loans	Recorded Investment	Outstanding Commitment
Performing						
Construction and Land Development	**4**	**$ 201**	**$ —**	4	$ 215	$ —
Commercial Real Estate - Owner Occupied	**3**	**572**	**—**	6	2,033	176
Commercial Real Estate - Non-Owner Occupied	**—**	**—**	**—**	1	1,089	—
Commercial & Industrial	**—**	**—**	**—**	4	727	—
Residential 1-4 Family - Commercial	**—**	**—**	**—**	3	245	—
Residential 1-4 Family - Consumer	**75**	**9,021**	**—**	77	8,943	—
Residential 1-4 Family - Revolving	**3**	**265**	**4**	3	277	—
Consumer	**2**	**15**	**—**	3	22	—
Other Commercial	**1**	**239**	**—**	1	410	—
Total performing	**88**	**$ 10,313**	**$ 4**	102	$ 13,961	$ 176
Nonperforming						
Commercial Real Estate - Owner Occupied	**2**	**$ 830**	**$ —**	1	$ 20	$ —
Commercial Real Estate - Non-Owner Occupied	**3**	**1,357**	**—**	1	134	—
Commercial & Industrial	**3**	**729**	**—**	3	237	—
Residential 1-4 Family - Commercial	**3**	**388**	**—**	4	1,296	—
Residential 1-4 Family - Consumer	**24**	**4,239**	**—**	23	4,865	—
Residential 1-4 Family - Revolving	**3**	**99**	**—**	3	103	—
Total nonperforming	**38**	**$ 7,642**	**$ —**	35	$ 6,655	$ —
Total performing and nonperforming	**126**	**$ 17,955**	**$ 4**	137	$ 20,616	$ 176

The Company considers a default of a TDR to occur when the borrower is 90 days past due following the restructure or a foreclosure and repossession of the applicable collateral occurs. During the years ended December 31, 2021 and 2020, the Company did not have any material loans that went into default that had been restructured in the twelve-month period prior to the time of default.

The following table shows, by class and modification type, TDRs that occurred during the year ended December 31, 2021 and 2020 (dollars in thousands):

	All Restructurings			
	2021		2020	
	No. of Loans	Recorded Investment at Period End	No. of Loans	Recorded Investment at Period End
Modified to interest only, at a market rate				
Residential 1-4 Family - Commercial	—	$ —	1	644
Total interest only at market rate of interest	—	$ —	1	$ 644
Term modification, at a market rate				
Commercial & Industrial	—	$ —	3	103
Commercial Real Estate - Non-Owner Occupied	**1**	**153**	—	—
Residential 1-4 Family - Commercial	—	—	1	294
Residential 1-4 Family - Consumer	**2**	**101**	4	320
Consumer	—	—	1	9
Total loan term extended at a market rate	**3**	**$ 254**	9	$ 726
Term modification, below market rate				
Construction and Land Development	—	$ —	1	$ 34
Commercial & Industrial	—	—	2	355
Residential 1-4 Family - Commercial	—	—	1	287
Residential 1-4 Family - Consumer	**12**	**1,810**	18	2,519
Residential 1-4 Family - Revolving	—	—	2	275
Consumer	**1**	**15**	—	—
Total loan term extended at a below market rate	**13**	**$ 1,825**	24	$ 3,470
Interest rate modification, below market rate				
Residential 1-4 Family - Commercial	**1**	$ **45**	—	$ —
Total interest only at below market rate of interest	**1**	**$ 45**	—	$ —
Total	**17**	**$ 2,124**	34	**$** 4,840

Allowance for Loan and Lease Losses

ALLL on the loan portfolio is a material estimate for the Company. The Company estimates its ALLL on its loan portfolio on a quarterly basis. The Company models the ALLL using two primary segments, Commercial and Consumer. Each loan segment is further disaggregated into classes based on similar risk characteristics. The Company has identified the following classes within each loan segment:

- *Commercial*: Construction and Land Development, Commercial Real Estate – Owner Occupied, Commercial Real Estate – Non-Owner Occupied, Multifamily Real Estate, Commercial & Industrial, Residential 1-4 Family – Commercial, and Other Commercial
- *Consumer*: Residential 1-4 Family – Consumer, Residential 1-4 Family – Revolving, Auto, and Consumer

The following tables show the ALLL activity by loan segment for the years ended December 31, 2021 and 2020 (dollars in thousands):

	Year Ended December 31, 2021			Year Ended December 31, 2020		
	Commercial	Consumer	Total	Commercial	Consumer	Total
Balance at beginning of period	**$ 117,403**	**$ 43,137**	**$ 160,540**	$ 30,941	$ 11,353	$ 42,294
Impact of ASC 326 adoption on non-PCD loans	—	—	—	4,432	40,666	45,098
Impact of ASC 326 adoption on PCD loans	—	—	—	1,752	634	2,386
Impact of adopting ASC 326	—	—	—	6,184	41,300	47,484
Loans charged-off	**(5,186)**	**(4,897)**	**(10,083)**	(6,671)	(11,522)	(18,193)
Recoveries credited to allowance	**4,915**	**3,303**	**8,218**	3,517	3,238	6,755
Provision charged to operations	**(39,230)**	**(19,658)**	**(58,888)**	83,432	(1,232)	82,200
Balance at end of period	**$ 77,902**	**$ 21,885**	**$ 99,787**	$ 117,403	$ 43,137	$ 160,540

Credit Quality Indicators

Credit quality indicators are utilized to help estimate the collectability of each loan class within the Commercial and Consumer loan segments. For classes of loans within the Commercial segment, the primary credit quality indicator used for evaluating credit quality and estimating the ALLL is risk rating categories of Pass, Watch, Special Mention, Substandard, and Doubtful. For classes of loans within the Consumer segment, the primary credit quality indicator used for evaluating credit quality and estimating the ALLL is delinquency bands of Current, 30-59, 60-89, 90+, and Nonaccrual. While other credit quality indicators are evaluated and analyzed as part of the Company's credit risk management activities, these indicators are primarily used in estimating the ALLL. The Company evaluates the credit risk of its loan portfolio on at least a quarterly basis.

Commercial Loans

The Company uses a risk rating system as the primary credit quality indicator for classes of loans within the Commercial segment. The risk rating system on a scale of 0 through 9 is used to determine risk level as used in the calculation of the ACL. The risk levels, as described below, do not necessarily follow the regulatory definitions of risk levels with the same name. A general description of the characteristics of the risk levels follows:

Pass is determined by the following criteria:

- Risk rated 0 loans have little or no risk and are with General Obligation Municipal Borrowers;
- Risk rated 1 loans have little or no risk and are generally secured by cash or cash equivalents;
- Risk rated 2 loans have minimal risk to well qualified borrowers and no significant questions as to safety;
- Risk rated 3 loans are satisfactory loans with strong borrowers and secondary sources of repayment;
- Risk rated 4 loans are satisfactory loans with borrowers not as strong as risk rated 3 loans and may exhibit a greater degree of financial risk based on the type of business supporting the loan.

Watch is determined by the following criteria:

- Risk rated 5 loans are watch loans that warrant more than the normal level of supervision and have the possibility of an event occurring that may weaken the borrower's ability to repay;

Special Mention is determined by the following criteria:

- Risk rated 6 loans have increasing potential weaknesses beyond those at which the loan originally was granted and if not addressed could lead to inadequately protecting the Company's credit position.

Substandard is determined by the following criteria:

- Risk rated 7 loans are substandard loans and are inadequately protected by the current sound worth or paying capacity of the obligor or the collateral pledged; these have well defined weaknesses that jeopardize the liquidation of the debt with the distinct possibility the Company will sustain some loss if the deficiencies are not corrected.

Doubtful is determined by the following criteria:

- Risk rated 8 loans are doubtful of collection and the possibility of loss is high but pending specific borrower plans for recovery, its classification as a loss is deferred until its more exact status is determined;
- Risk rated 9 loans are loss loans which are considered uncollectable and of such little value that their continuance as bankable assets is not warranted.

The table below details the amortized cost of the classes of loans within the Commercial segment by risk level and year of origination as of December 31, 2021 (dollars in thousands):

	December 31, 2021							
	Term Loans Amortized Cost Basis by Origination Year							
	2021	2020	2019	2018	2017	Prior	Revolving Loans	Total
Construction and Land Development								
Pass	$ 430,764	$ 218,672	$ 39,937	$ 40,128	$ 11,299	$ 50,908	$ 22,996	$ 814,704
Watch	395	185	12,923	129	349	4,026	-	18,007
Special Mention	-	-	-	-	-	735	-	735
Substandard	3,541	1	221	19,264	198	5,565	-	28,790
Total Construction and Land Development	$ 434,700	$ 218,858	$ 53,081	$ 59,521	$ 11,846	$ 61,234	$ 22,996	$ 862,236
Commercial Real Estate - Owner Occupied								
Pass	$ 222,079	$ 279,165	$ 321,503	$ 263,422	$ 179,994	$ 555,540	$ 19,705	$ 1,841,408
Watch	185	18	7,959	10,875	14,648	57,466	702	91,853
Special Mention	-	932	11,826	610	1,052	19,480	507	34,407
Substandard	200	153	7,455	2,538	1,935	14,834	626	27,741
Total Commercial Real Estate - Owner Occupied	$ 222,464	$ 280,268	$ 348,743	$ 277,445	$ 197,629	$ 647,320	$ 21,540	$ 1,995,409
Commercial Real Estate - Non-Owner Occupied								
Pass	$ 642,386	$ 421,063	$ 520,035	$ 377,176	$ 374,949	$ 1,102,193	$ 36,568	$ 3,474,370
Watch	2,152	841	35,721	39,356	18,242	101,797	14	198,123
Special Mention	-	10,609	25,691	20,119	12,741	4,775	—	73,935
Substandard	-	-	23,376	11,369	—	7,952	252	42,949
Total Commercial Real Estate - Non-Owner Occupied	$ 644,538	$ 432,513	$ 604,823	$ 448,020	$ 405,932	$ 1,216,717	$ 36,834	$ 3,789,377
Commercial & Industrial								
Pass	$ 770,662	$ 450,478	$ 287,926	$ 110,710	$ 38,395	$ 170,857	$ 619,583	$ 2,448,611
Watch	1,233	9,641	2,766	31,635	1,370	4,405	17,220	68,270
Special Mention	206	935	8,477	1,023	564	561	3,249	15,015
Substandard	379	575	3,636	1,965	463	1,639	1,690	10,347
Total Commercial & Industrial	$ 772,480	$ 461,629	$ 302,805	$ 145,333	$ 40,792	$ 177,462	$ 641,742	$ 2,542,243
Multifamily Real Estate								
Pass	$ 63,431	$ 187,616	$ 108,402	$ 114,077	$ 66,562	$ 228,013	$ 1,548	$ 769,649
Watch	—	—	359	459	—	522	—	1,340
Special Mention	44	2,248	624	4,517	—	91	—	7,524
Substandard	—	—	—	—	—	113	—	113
Total Multifamily Real Estate	$ 63,475	$ 189,864	$ 109,385	$ 119,053	$ 66,562	$ 228,739	$ 1,548	$ 778,626
Residential 1-4 Family - Commercial								
Pass	$ 108,259	$ 94,184	$ 65,682	$ 46,267	$ 55,995	$ 196,052	$ 550	$ 566,989
Watch	—	2,041	4,887	7,483	2,415	7,573	311	24,710
Special Mention	—	96	—	436	391	4,126	—	5,049
Substandard	93	—	3,494	536	1,291	4,876	299	10,589
Total Residential 1-4 Family - Commercial	$ 108,352	$ 96,321	$ 74,063	$ 54,722	$ 60,092	$ 212,627	$ 1,160	$ 607,337
Other Commercial								
Pass	$ 226,595	$ 167,497	$ 98,848	$ 5,620	$ 25,723	$ 44,114	$ 30,445	$ 598,842
Watch	—	—	—	581	1,246	4,341	—	6,168
Special Mention	—	—	—	—	2	—	—	2
Substandard	—	—	—	—	—	239	—	239
Total Other Commercial	$ 226,595	$ 167,497	$ 98,848	$ 6,201	$ 26,971	$ 48,694	$ 30,445	$ 605,251
Total Commercial								
Pass	$ 2,464,176	$ 1,818,675	$ 1,442,333	$ 957,400	$ 752,917	$ 2,347,677	$ 731,395	$ 10,514,573
Watch	3,965	12,726	64,615	90,518	38,270	180,130	18,247	408,471
Special Mention	250	14,820	46,618	26,705	14,750	29,768	3,756	136,667
Substandard	4,213	729	38,182	35,672	3,887	35,218	2,867	120,768
Total Commercial	$ 2,472,604	$ 1,846,950	$ 1,591,748	$ 1,110,295	$ 809,824	$ 2,592,793	$ 756,265	$ 11,180,479

The table below details the amortized cost of the classes of loans within the Commercial segment by risk level and year of origination as of December 31, 2020 (dollars in thousands):

	December 31, 2020							
	Term Loans Amortized Cost Basis by Origination Year							
	2020	2019	2018	2017	2016	Prior	Revolving Loans	Total
Construction and Land Development								
Pass	$ 316,585	$ 277,142	$ 116,800	$ 24,770	$ 42,970	$ 54,023	$ 23,324	$ 855,614
Watch	1,873	18,181	8,434	344	2,355	6,372	412	37,971
Special Mention	—	5,532	135	—	—	2,655	—	8,322
Substandard	—	—	17,780	64	2,037	4,010	—	23,891
Total Construction and Land Development	$ 318,458	$ 300,855	$ 143,149	$ 25,178	$ 47,362	$ 67,060	$ 23,736	$ 925,798
Commercial Real Estate - Owner Occupied								
Pass	$ 286,522	$ 375,541	$ 300,583	$ 233,359	$ 128,261	$ 570,361	$ 18,838	$ 1,913,465
Watch	1,942	14,611	22,224	15,623	24,979	41,361	1,648	122,388
Special Mention	988	6,052	5,749	4,198	9,907	30,455	1,121	58,470
Substandard	—	4,858	5,159	914	1,555	21,101	999	34,586
Total Commercial Real Estate - Owner Occupied	$ 289,452	$ 401,062	$ 333,715	$ 254,094	$ 164,702	$ 663,278	$ 22,606	$ 2,128,909
Commercial Real Estate - Non-Owner Occupied								
Pass	$ 381,849	$ 455,427	$ 433,183	$ 403,677	$ 336,630	$ 850,035	$ 30,421	$ 2,891,222
Watch	28,354	142,279	76,838	59,451	79,533	224,944	16,870	628,269
Special Mention	702	11,072	34,905	18,073	40,771	11,211	723	117,457
Substandard	246	—	13,357	—	25	6,986	—	20,614
Total Commercial Real Estate - Non-Owner Occupied	$ 411,151	$ 608,778	$ 558,283	$ 481,201	$ 456,959	$ 1,093,176	$ 48,014	$ 3,657,562
Commercial & Industrial								
Pass	$ 1,730,876	$ 350,618	$ 199,489	$ 67,035	$ 71,799	$ 140,461	$ 590,701	$ 3,150,979
Watch	4,872	32,028	13,073	6,500	3,182	4,906	19,972	84,533
Special Mention	1,009	2,178	3,890	1,150	724	1,234	4,755	14,940
Substandard	534	4,269	1,274	309	560	2,676	3,386	13,008
Total Commercial & Industrial	$ 1,737,291	$ 389,093	$ 217,726	$ 74,994	$ 76,265	$ 149,277	$ 618,814	$ 3,263,460
Multifamily Real Estate								
Pass	$ 144,805	$ 85,740	$ 150,724	$ 117,881	$ 67,984	$ 231,113	$ 2,311	$ 800,558
Watch	—	5,074	475	—	617	560	—	6,726
Special Mention	2,280	—	4,388	—	—	760	—	7,428
Substandard	—	—	—	—	—	33	—	33
Total Multifamily Real Estate	$ 147,085	$ 90,814	$ 155,587	$ 117,881	$ 68,601	$ 232,466	$ 2,311	$ 814,745
Residential 1-4 Family - Commercial								
Pass	$ 104,630	$ 89,332	$ 70,310	$ 79,156	$ 68,915	$ 201,492	$ 2,236	$ 616,071
Watch	666	6,665	8,252	4,141	4,067	9,307	195	33,293
Special Mention	—	—	601	663	468	5,923	—	7,655
Substandard	644	793	4,913	1,995	986	5,111	488	14,930
Total Residential 1-4 Family - Commercial	$ 105,940	$ 96,790	$ 84,076	$ 85,955	$ 74,436	$ 221,833	$ 2,919	$ 671,949
Other Commercial								
Pass	$ 223,490	$ 112,045	$ 9,549	$ 30,314	$ 16,494	$ 42,158	$ 44,180	$ 478,230
Watch	—	—	613	1,299	1,189	3,934	—	7,035
Special Mention	10	—	—	7	—	4,591	102	4,710
Total Other Commercial	$ 223,500	$ 112,045	$ 10,162	$ 31,620	$ 17,683	$ 50,683	$ 44,282	$ 489,975
Total Commercial								
Pass	$ 3,188,757	$ 1,745,845	$ 1,280,638	$ 956,192	$ 733,053	$ 2,089,643	$ 712,011	$ 10,706,139
Watch	37,707	218,838	129,909	87,358	115,922	291,384	39,097	920,215
Special Mention	4,989	24,834	49,668	24,091	51,870	56,829	6,701	218,982
Substandard	1,424	9,920	42,483	3,282	5,163	39,917	4,873	107,062
Total Commercial	$ 3,232,877	$ 1,999,437	$ 1,502,698	$ 1,070,923	$ 906,008	$ 2,477,773	$ 762,682	$ 11,952,398

Consumer Loans

For Consumer loans, the Company evaluates credit quality based on the delinquency status of the loan. The following table details the amortized cost of the classes of loans within the Consumer segment based on their delinquency status and year of origination as of December 31, 2021 (dollars in thousands):

	December 31, 2021							
	Term Loans Amortized Cost Basis by Origination Year							
	2021	2020	2019	2018	2017	Prior	Revolving Loans	Total
Residential 1-4 Family - Consumer								
Current	$ 248,904	$ 174,459	$ 47,905	$ 33,809	$ 44,179	$ 246,554	$ 11	$ 795,821
30-59 Days Past Due	—	157	143	807	460	1,801	—	3,368
60-89 Days Past Due	—	—	—	624	107	2,194	—	2,925
90+ Days Past Due	—	—	46	20	304	2,643	—	3,013
Nonaccrual	444	—	117	884	1,330	8,622	—	11,397
Total Residential 1-4 Family - Consumer	$ 249,348	$ 174,616	$ 48,211	$ 36,144	$ 46,380	$ 261,814	$ 11	$ 816,524
Residential 1-4 Family - Revolving								
Current	$ 16,546	$ 9,511	$ 2,230	$ 1,056	$ —	$ 484	$ 524,825	$ 554,652
30-59 Days Past Due	—	—	—	—	—	—	1,493	1,493
60-89 Days Past Due	—	—	—	—	—	—	363	363
90+ Days Past Due	—	—	—	—	—	—	882	882
Nonaccrual	—	63	—	18	—	—	3,325	3,406
Total Residential 1-4 Family - Revolving	$ 16,546	$ 9,574	$ 2,230	$ 1,074	$ —	$ 484	$ 530,888	$ 560,796
Auto								
Current	$ 207,229	$ 123,848	$ 72,427	$ 31,745	$ 16,020	$ 7,204	$ —	$ 458,473
30-59 Days Past Due	299	382	518	259	245	163	—	1,866
60-89 Days Past Due	45	29	95	33	36	11	—	249
90+ Days Past Due	55	101	42	20	23	—	—	241
Nonaccrual	—	81	55	27	27	33	—	223
Total Auto	$ 207,628	$ 124,441	$ 73,137	$ 32,084	$ 16,351	$ 7,411	$ —	$ 461,052
Consumer								
Current	$ 25,084	$ 16,059	$ 38,594	$ 30,890	$ 12,853	$ 16,929	$ 35,534	$ 175,943
30-59 Days Past Due	31	94	201	186	63	26	88	689
60-89 Days Past Due	11	13	62	60	34	—	6	186
90+ Days Past Due	1	4	33	72	8	—	2	120
Nonaccrual	—	—	—	—	—	54	—	54
Total Consumer	$ 25,127	$ 16,170	$ 38,890	$ 31,208	$ 12,958	$ 17,009	$ 35,630	$ 176,992
Total Consumer								
Current	$ 497,763	$ 323,877	$ 161,156	$ 97,500	$ 73,052	$ 271,171	$ 560,370	$ 1,984,889
30-59 Days Past Due	330	633	862	1,252	768	1,990	1,581	7,416
60-89 Days Past Due	56	42	157	717	177	2,205	369	3,723
90+ Days Past Due	56	105	121	112	335	2,643	884	4,256
Nonaccrual	444	144	172	929	1,357	8,709	3,325	15,080
Total Consumer	$ 498,649	$ 324,801	$ 162,468	$ 100,510	$ 75,689	$ 286,718	$ 566,529	$ 2,015,364

The following table details the amortized cost of the classes of loans within the Consumer segment based on their delinquency status and year of origination as of December 31, 2020 (dollars in thousands):

	December 31, 2020							
	Term Loans Amortized Cost Basis by Origination Year							
	2020	**2019**	**2018**	**2017**	**2016**	**Prior**	**Revolving Loans**	**Total**
Residential 1-4 Family - Consumer								
Current	$ 213,763	$ 75,133	$ 64,299	$ 68,320	$ 102,123	$ 269,203	$ 11	$ 792,852
30-59 Days Past Due	678	181	2,243	516	457	6,107	—	10,182
60-89 Days Past Due	156	—	57	679	—	641	—	1,533
90+ Days Past Due	608	1,696	23	—	1,246	2,126	—	5,699
Nonaccrual	—	—	696	851	887	10,166	—	12,600
Total Residential 1-4 Family - Consumer	$ 215,205	$ 77,010	$ 67,318	$ 70,366	$ 104,713	$ 288,243	$ 11	$ 822,866
Residential 1-4 Family - Revolving								
Current	$ 13,217	$ 3,916	$ 1,593	$ 300	$ —	$ 636	$ 567,860	$ 587,522
30-59 Days Past Due	70	—	—	—	—	—	2,905	2,975
60-89 Days Past Due	53	—	—	—	—	—	991	1,044
90+ Days Past Due	—	—	—	—	—	—	826	826
Nonaccrual	—	—	21	—	—	227	4,381	4,629
Total Residential 1-4 Family - Revolving	$ 13,340	$ 3,916	$ 1,614	$ 300	$ —	$ 863	$ 576,963	$ 596,996
Auto								
Current	$ 171,051	$ 115,319	$ 55,886	$ 32,555	$ 17,081	$ 6,314	$ —	$ 398,206
30-59 Days Past Due	239	467	543	478	197	152	—	2,076
60-89 Days Past Due	124	150	—	59	26	17	—	376
90+ Days Past Due	6	23	53	58	15	11	—	166
Nonaccrual	30	93	126	101	88	62	—	500
Total Auto	$ 171,450	$ 116,052	$ 56,608	$ 33,251	$ 17,407	$ 6,556	$ —	$ 401,324
Consumer								
Current	$ 26,498	$ 68,208	$ 67,041	$ 22,464	$ 9,997	$ 15,893	$ 35,450	$ 245,551
30-59 Days Past Due	35	252	504	98	15	143	119	1,166
60-89 Days Past Due	28	176	317	23	—	3	3	550
90+ Days Past Due	5	84	242	4	—	56	3	394
Nonaccrual	—	—	—	—	—	69	—	69
Total Consumer	$ 26,566	$ 68,720	$ 68,104	$ 22,589	$ 10,012	$ 16,164	$ 35,575	$ 247,730
Total Consumer								
Current	$ 424,529	$ 262,576	$ 188,819	$ 123,639	$ 129,201	$ 292,046	$ 603,321	$ 2,024,131
30-59 Days Past Due	1,022	900	3,290	1,092	669	6,402	3,024	16,399
60-89 Days Past Due	361	326	374	761	26	661	994	3,503
90+ Days Past Due	619	1,803	318	62	1,261	2,193	829	7,085
Nonaccrual	30	93	843	952	975	10,524	4,381	17,798
Total Consumer	$ 426,561	$ 265,698	$ 193,644	$ 126,506	$ 132,132	$ 311,826	$ 612,549	$ 2,068,916

The Company did not have any material revolving loans convert to term during the years ended December 31, 2021 and 2020.

Acquired Loans

The Company has purchased loans that, at the time of acquisition, exhibited more than insignificant credit deterioration since origination. The Company elected to treat all loans that were previously identified as PCI as PCD.

Prior to the adoption of ASC 326

Nonaccrual loans totaled $28.2 million at December 31, 2019. Had these loans performed in accordance with their original terms, interest income of approximately $1.8 million would have been recorded in 2019. All nonaccrual loans were included in the impaired loan disclosure in 2019.

As of December 31, 2019, the Company measured the amount of impairment by evaluating loans either in their collective homogeneous pools or individually. The following table shows the average recorded investment and interest income recognized for the Company's impaired loans, excluding PCI loans, by class for the years ended December 31, 2019 (dollars in thousands):

	December 31, 2019	
	Average Investment	Interest Income Recognized
Construction and Land Development	$ 6,764	$ 110
Commercial Real Estate - Owner Occupied	12,258	323
Commercial Real Estate - Non-Owner Occupied	4,775	147
Commercial & Industrial	6,438	293
Residential 1-4 Family - Commercial	6,145	120
Residential 1-4 Family - Consumer	20,963	308
Residential 1-4 Family - Revolving	3,256	82
Auto	788	15
Consumer	187	5
Other Commercial	584	22
Total impaired loans	$ 62,158	$ 1,425

The Company considers a default of a TDR to occur when the borrower is 90 days past due following the restructuring or a foreclosure and repossession of the applicable collateral occurs. During the year ended December 31, 2019, the Company did not have any material loans that went into default that had been restructured in the twelve-month period prior to the time of default.

The following table shows, by class and modification type, TDRs that occurred during the year ended December 31, 2019 (dollars in thousands):

	All Restructurings 2019	
	No. of Loans	Recorded Investment at Period End
Modified to interest only, at a market rate		
Total interest only at market rate of interest	—	$ —
Term modification, at a market rate		
Commercial & Industrial	1	$ 376
Residential 1-4 Family - Commercial	1	72
Residential 1-4 Family - Consumer	7	1,688
Consumer	3	24
Total loan term extended at a market rate	12	$ 2,160
Term modification, below market rate		
Construction and Land Development	3	$ 193
Residential 1-4 Family - Consumer	22	2,658
Consumer	1	5
Total loan term extended at a below market rate	26	$ 2,856
Total	38	$ 5,016

Allowance for Loan and Lease Losses

The following table shows the ALLL activity by class for the year ended December 31, 2019. The table below includes the provision for loan losses. Allocation of a portion of the allowance to one category of loans does not preclude its availability to absorb losses in other categories (dollars in thousands):

	Year Ended December 31, 2019 Allowance for loan losses				
	Balance, beginning of the year	Recoveries credited to allowance	Loans charged off	Provision charged to operations	Balance, end of period
Construction and Land Development	$ 6,803	$ 665	$ (4,218)	$ 2,508	$ 5,758
Commercial Real Estate - Owner Occupied	4,023	456	(1,346)	786	3,919
Commercial Real Estate - Non-Owner Occupied	8,865	109	(270)	839	9,543
Multifamily Real Estate	649	85	—	(102)	632
Commercial & Industrial	7,636	1,132	(3,096)	2,932	8,604
Residential 1-4 Family - Commercial	1,692	372	(472)	(227)	1,365
Residential 1-4 Family - Consumer	1,492	466	(144)	199	2,013
Residential 1-4 Family - Revolving	1,297	692	(698)	32	1,323
Auto	1,443	549	(1,282)	743	1,453
Consumer and all other[1]	7,145	2,706	(16,582)	14,415	7,684
Total	$ 41,045	$ 7,232	$ (28,108)	$ 22,125	$ 42,294

[1] *Consumer and Other Commercial are grouped together as Consumer and all other for reporting purposes.*

5. PREMISES AND EQUIPMENT

The Company's premises and equipment as of December 31, 2021 and 2020 are as follows (dollars in thousands):

	2021	2020
Land	**$ 32,286**	$ 39,845
Land improvements and buildings	**111,199**	129,497
Leasehold improvements	**23,195**	24,037
Furniture and equipment	**76,356**	80,191
Construction in progress	**1,717**	2,497
Total	**244,753**	276,067
Accumulated depreciation and amortization	**(109,945)**	(112,238)
Bank premises and equipment, net	**$ 134,808**	$ 163,829

Depreciation expense for the years ended December 31, 2021, 2020, and 2019 was $15.9 million, $15.2 million, and $15.0 million, respectively. Refer to Note 7 "Leases" in this Form 10-K for further discussion regarding the Company's leasing arrangements.

In 2021, the Company determined it would close the Company's operations center by March 2022 and classified it as held for sale at December 31, 2021, resulting in an impairment expense of $11.7 million during the year ended December 31, 2021. Refer to Note 14 "Fair Value Measurements" in this Form 10-K for further discussion regarding the Company's fair value methodology. Write downs are included in "Other Expenses" within noninterest expense on the Company's Consolidated Statements of Income.

6. GOODWILL AND INTANGIBLE ASSETS

The Company's intangible assets consist of core deposits, goodwill, and other intangibles arising from acquisitions. The Company has determined that core deposit intangibles have finite lives and amortizes them over their estimated useful lives. Core deposit intangibles are being amortized over the period of expected benefit, which ranges from 4 to 10 years, using an accelerated method. Other amortizable intangible assets are being amortized over the period of expected benefit, which ranges from 4 to 10 years, using various methods.

The Company determined that there was no impairment to its goodwill or intangible assets. In the normal course of business, the Company routinely monitors the impact of the changes in the financial markets and includes these assessments in the Company's goodwill impairment process.

The Company analyzed its intangible assets on a quarterly basis throughout 2021, and concluded no impairment existed as of the balance sheet date. Information concerning intangible assets with a finite life is presented in the following table (dollars in thousands):

	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
December 31, 2021			
Core deposit intangibles	**$ 101,724**	**$ 66,739**	**$ 34,985**
Other amortizable intangibles	**14,893**	**6,566**	**8,327**
December 31, 2020			
Core deposit intangibles	$ 135,300	$ 88,109	$ 47,191
Other amortizable intangibles	15,240	5,246	9,994

Amortization expense of intangibles for the years ended December 31, 2021, 2020, and 2019 totaled $13.9 million, $16.6 million, and $18.5 million, respectively. As of December 31, 2021, the estimated remaining amortization expense of intangibles for the years ended is as follows (dollars in thousands):

2022	**$ 11,490**
2023	**9,687**
2024	**7,820**
2025	**6,221**
2026	**4,420**
Thereafter	**3,674**
Total estimated amortization expense	**$ 43,312**

7. LEASES

The Company enters into both lessor and lessee arrangements and determines if an arrangement is a lease at inception. As both a lessee and lessor, the Company elected the practical expedient permitted under the transition guidance within the standard to account for lease and non-lease components as a single lease component for all asset classes.

Lessor Arrangements

The Company's lessor arrangements consist of sales-type and direct financing leases for equipment. Lease payment terms are fixed and are typically payable in monthly installments with terms ranging from 14 months to 125 months. The lease arrangements may contain renewal options and purchase options that allow the lessee to purchase the leased equipment at the end of the lease term. The leases generally do not contain non-lease components. The Company has no material sale leaseback transactions and no lease transactions with related parties.

At lease inception the Company estimates the expected residual value of the leased property at the end of the lease term by considering both internal and third-party appraisals. In certain cases, the Company obtains lessee-provided residual value guarantees and third-party RVI to reduce its residual asset risk. At December 31, 2021 and December 31, 2020, the carrying value of residual assets covered by residual value guarantees and RVI was $23.0 million and $14.7 million, respectively.

The net investment in sales-type and direct financing leases consists of the carrying amount of the lease receivables plus unguaranteed residual assets, net of unearned income and any deferred selling profit on direct financing leases. The lease receivables include the lessor's right to receive lease payments and the guaranteed residual asset value the lessor expects to derive from the underlying assets at the end of the lease term. The Company's net investment in sales-type and direct financing leases are included in "Loans held for investment, net of deferred fees and costs" on the Company's Consolidated Balance Sheets. Lease income is recorded in "Interest and fees on loans" on the Company's Consolidated Statements of Income.

Total net investment in sales-type and direct financing leases consists of the following (dollars in thousands):

	December 31, 2021	December 31, 2020
Sales-type and direct financing leases:		
Lease receivables, net of unearned income and deferred selling profit	**$ 199,423**	$ 141,180
Unguaranteed residual values, net of unearned income and deferred selling profit	**8,911**	4,796
Total net investment in sales-type and direct financing leases	**$ 208,334**	$ 145,976

Lessee Arrangements

The Company's lessee arrangements consist of operating and finance leases; however, the majority of the leases have been classified as non-cancellable operating leases and are primarily for real estate leases with remaining lease terms of up to 24 years. The Company's real estate lease agreements do not contain residual value guarantees and most agreements do not contain restrictive covenants. The Company does not have any material arrangements where the Company is in a sublease contract.

Lessee arrangements with an initial term of 12 months or less are not recorded on the Consolidated Balance Sheets. The ROU assets and lease liabilities associated with operating and finance leases greater than 12 months are recorded in the Company's Consolidated Balance Sheets; ROU assets within "Other assets" and lease liabilities within "Other liabilities." ROU assets represent the Company's right to use an underlying asset over the course of the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. The initial measurement of lease liabilities and ROU assets are the same for operating and finance leases. Lease liabilities are recognized at the commencement date based on the present value of the remaining lease payments, discounted using the incremental borrowing rate. As most of the Company's leases do not provide an implicit rate, the Company uses an incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. ROU assets are recognized at commencement date based on the initial measurement of the lease liability, any lease payments made excluding lease incentives, and any initial direct costs incurred. Most of the Company's operating leases include one or more options to renew and if the Company is reasonably certain to exercise those options, it would be included in the measurement of the operating ROU assets and lease liabilities.

Lease expense for operating lease payments is recognized on a straight-line basis over the lease term and recorded in "Occupancy expenses" on the Company's Consolidated Statements of Income. Finance lease expenses consist of straight-line amortization expense of the ROU Assets recognized over the lease term and interest expense on the lease liability. Total finance lease expenses for the amortization of the ROU assets are recorded in "Occupancy expenses" on the Company's Consolidated Statements of Income and interest expense on the finance lease liability is recorded in "Interest on long-term borrowings" on the Company's Consolidated Statements of Income.

The tables below provide information about the Company's lessee lease portfolio and other supplemental lease information (dollars in thousands):

	December 31, 2021		December 31, 2020	
	Operating	Finance	Operating	Finance
Right-of-use-assets	**$ 40,653**	**$ 6,506**	$ 48,051	$ 7,425
Lease liabilities	**50,742**	**9,477**	58,901	10,621
Lease Term and Discount Rate of Operating leases:				
Weighted-average remaining lease term (years)	**6.75**	**7.08**	7.27	8.08
Weighted-average discount rate [(1)]	**2.57 %**	**1.17 %**	2.66 %	1.17 %

(1) *An incremental borrowing rate is used based on information available at commencement date of lease or at remeasurement date.*

	Year ended December 31,	
	2021	2020
Cash paid for amounts included in measurement of lease liabilities:		
Operating Cash Flows from Finance Leases	**$ 117**	$ 72
Operating Cash Flows from Operating Leases	**11,923**	13,491
Financing Cash Flows from Finance Leases	**1,144**	—
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	**$ 3,666**	$ 4,577
Finance leases	**—**	10,549

	Year ended December 31,	
	2021	2020
Net Operating Lease Cost	**$ 10,121**	$ 11,006
Finance Lease Cost:		
Amortization of right-of-use assets	**919**	536
Interest on lease liabilities	**117**	72
Total Lease Cost	**$ 11,157**	$ 11,614

The maturities of lessor and lessee arrangements outstanding are presented in the table below (dollars in thousands):

	December 31, 2021		
	Lessor	Lessee	
	Sales-type and Direct Financing	Operating	Finance
2022	**$ 48,478**	**$ 11,352**	**$ 1,292**
2023	**45,672**	**10,310**	**1,325**
2024	**44,447**	**9,274**	**1,358**
2025	**32,331**	**7,017**	**1,392**
2026	**17,702**	**4,494**	**1,427**
Thereafter	**28,792**	**13,326**	**3,088**
Total undiscounted cash flows	**217,422**	**55,773**	**9,882**
Less: Adjustments [(1)]	**17,999**	**5,031**	**405**
Total [(2)]	**$ 199,423**	**$ 50,742**	**$ 9,477**

(1) *Lessor – unearned income and unearned guaranteed residual value; Lessee – imputed interest.*

(2) *Represents lease receivables for lessor arrangements and lease liabilities for lessee arrangements*

8. DEPOSITS

The major types of interest-bearing deposits are as follows for the years ended December 31, (dollars in thousands):

	2021	2020
Interest-bearing deposits:		
NOW accounts	**$ 4,176,032**	$ 3,621,181
Money market accounts	**4,249,858**	4,248,335
Savings accounts	**1,121,297**	904,095
Time deposits of $250,000 and over	**452,193**	1,532,082
Other time deposits	**1,404,364**	1,048,369
Total interest-bearing deposits	**$ 11,403,744**	$ 11,354,062

As of December 31, 2021, the scheduled maturities of time deposits are as follows for the years ended December 31, (dollars in thousands):

2022	**$ 1,302,142**
2023	**282,350**
2024	**196,731**
2025	**34,940**
2026	**35,497**
Thereafter	**4,897**
Total scheduled maturities of time deposits	**$ 1,856,557**

The amount of time deposits held in CDARS accounts was $20.7 million and $64.2 million as of December 31, 2021 and 2020, respectively.

The Company classifies deposit overdrafts as loans held for investment within the "Other Commercial" category. As of December 31, 2021 and 2020, these deposits totaled $2.0 million and $2.6 million, respectively.

9. BORROWINGS

Short-term Borrowings

The Company classifies all borrowings that will mature within a year from the date on which the Company enters into them as short-term borrowings. Total short-term borrowings consist primarily of securities sold under agreements to repurchase, which are secured transactions with customers and generally mature the day following the date sold, advances from the FHLB, and federal funds purchased (which are secured overnight borrowings from other financial institutions), and other lines of credit.

Total short-term borrowings as of December 31, 2021 and 2020 (dollars in thousands):

	2021	2020
Securities sold under agreements to repurchase	**$ 117,870**	$ 100,888
Federal Funds Purchased	**—**	150,000
FHLB Advances	**—**	100,000
Total short-term borrowings	**$ 117,870**	$ 350,888
Average outstanding balance during the period	**$ 113,030**	$ 213,932
Average interest rate during the period	**0.10 %**	0.79 %
Average interest rate at end of period	**0.07 %**	0.13 %

The Bank maintains federal funds lines with several correspondent banks; the available balance was $997.0 million and $847.0 million at December 31, 2021 and 2020, respectively. The Company maintains an alternate line of credit at a correspondent bank; the available balance was $25.0 million at both December 31, 2021 and 2020. The Company has certain restrictive covenants related to certain asset quality, capital, and profitability metrics associated with these lines and is in compliance with these covenants as of December 31, 2021 and 2020. Additionally, the Company had a collateral dependent line of credit with the FHLB of up to $6.0 billion at both December 31, 2021 and 2020.

Long-term Borrowings

During the fourth quarter of 2021, the company issued the 2031 Notes. The 2031 Notes were sold at par resulting in net proceeds, after underwriting discounts and offering expenses, of approximately $246.9 million. The Company used a portion of the net proceeds from the 2031 Notes issuance to repay its outstanding $150 million of 5.00% fixed-to-floating rate subordinated notes that were due in 2026.

In connection with several previous bank acquisitions, the Company issued $58.5 million and acquired $87.0 million of trust preferred capital notes. Most recently, in connection with the acquisition of Access on February 1, 2019, the Company acquired additional trust preferred capital notes totaling $5.0 million. The remaining fair value discount on all acquired trust preferred capital notes was $13.3 million and $14.1 million at December 31, 2021 and 2020, respectively.

On August 23, 2012, the Company modified its fixed rate FHLB advances to floating rate advances, which resulted in reducing the Company's FHLB borrowing costs. In connection with this modification, the Company incurred a prepayment penalty of $19.6 million on the original advances which was deferred and to be amortized over the term of the modified advances using the effective rate method. On August 29, 2019, the Company repaid the floating rate FHLB advances. In connection with this repayment, the remaining unamortized prepayment penalty of $7.4 million was immediately recognized as a component of noninterest expense during the third quarter of 2019.

In response to the current interest rate environment, the Company prepaid a $200.0 million long-term FHLB advance on February 26, 2021 and $550.0 million of long-term FHLB advances in 2020, which resulted in prepayment penalties of $14.7 million and $31.2 million, respectively. In addition, on November 30, 2020, the Company redeemed $8.5 million in subordinated debt that was originally acquired as part of the Xenith acquisition.

Total long-term borrowings consist of the following as of December 31, 2021 (dollars in thousands):

	Principal	Spread to 3-Month LIBOR	Rate [(1)]	Maturity	Investment [(2)]
Trust Preferred Capital Securities					
Trust Preferred Capital Note - Statutory Trust I	**$ 22,500**	**2.75 %**	**2.96 %**	**6/17/2034**	**$ 696**
Trust Preferred Capital Note - Statutory Trust II	**36,000**	**1.40 %**	**1.61 %**	**6/15/2036**	**1,114**
VFG Limited Liability Trust I Indenture	**20,000**	**2.73 %**	**2.94 %**	**3/18/2034**	**619**
FNB Statutory Trust II Indenture	**12,000**	**3.10 %**	**3.31 %**	**6/26/2033**	**372**
Gateway Capital Statutory Trust I	**8,000**	**3.10 %**	**3.31 %**	**9/17/2033**	**248**
Gateway Capital Statutory Trust II	**7,000**	**2.65 %**	**2.86 %**	**6/17/2034**	**217**
Gateway Capital Statutory Trust III	**15,000**	**1.50 %**	**1.71 %**	**5/30/2036**	**464**
Gateway Capital Statutory Trust IV	**25,000**	**1.55 %**	**1.76 %**	**7/30/2037**	**774**
MFC Capital Trust II	**5,000**	**2.85 %**	**3.06 %**	**1/23/2034**	**155**
Total Trust Preferred Capital Securities	**$ 150,500**				**$ 4,659**
Subordinated Debt[(3)(4)]					
2031 Subordinated Debt	**250,000**	**- %**	**2.875 %**	**12/15/2031**	
Total Subordinated Debt[(5)]	**$ 250,000**				
Fair Value Discount[(6)]	**(16,435)**				
Investment in Trust Preferred Capital Securities	**4,659**				
Total Long-term Borrowings	**$ 388,724**				

(1) *Rate as of December 31, 2021. Calculated using non-rounded numbers.*

(2) *The total of the trust preferred capital securities and investments in the respective trusts represents the principal asset of the Company's junior subordinated debt securities with like maturities and like interest rates to the capital securities. The Company's investment in the trusts is reported in "Other Assets" on the Company's Consolidated Balance Sheets.*

(3) *The remaining issuance discount as of December 31, 2021 is $3.1 million.*

(4) *Subordinated notes qualify as Tier 2 capital for the Company for regulatory purposes*

(5) *Fixed-to-floating rate notes. On December 15, 2026, the interest rate changes to a floating rate of the then current Three-Month Term SOFR plus a spread of 186 basis points through its maturity date. The notes may be redeemed before maturity on or after December 15, 2026.*

(6) *Remaining discounts of $13.3 million and $3.1 million on Trust Preferred Capital Securities and Subordinated Debt, respectively.*

Total long-term borrowings consist of the following as of December 31, 2020 (dollars in thousands):

	Principal	Spread to 3-Month LIBOR	Rate [(1)]	Maturity	Investment [(2)]
Trust Preferred Capital Securities					
Trust Preferred Capital Note - Statutory Trust I	$ 22,500	2.75 %	2.99 %	6/17/2034	$ 696
Trust Preferred Capital Note - Statutory Trust II	36,000	1.40 %	1.64 %	6/15/2036	1,114
VFG Limited Liability Trust I Indenture	20,000	2.73 %	2.97 %	3/18/2034	619
FNB Statutory Trust II Indenture	12,000	3.10 %	3.34 %	6/26/2033	372
Gateway Capital Statutory Trust I	8,000	3.10 %	3.34 %	9/17/2033	248
Gateway Capital Statutory Trust II	7,000	2.65 %	2.89 %	6/17/2034	217
Gateway Capital Statutory Trust III	15,000	1.50 %	1.74 %	5/30/2036	464
Gateway Capital Statutory Trust IV	25,000	1.55 %	1.79 %	7/30/2037	774
MFC Capital Trust II	5,000	2.85 %	3.09 %	1/23/2034	155
Total Trust Preferred Capital Securities	$ 150,500				$ 4,659
FHLB Advances					
Fixed Rate Convertible	200,000	- %	1.78 %	10/26/2028	
Total FHLB Advances	$ 200,000				
Subordinated Debt[(3)(4)]					
2026 Subordinated Debt[(5)]	150,000	- %	5.00 %	12/15/2026	
Total Subordinated Debt	$ 150,000				
Fair Value Discount[(6)]	(15,330)				
Investment in Trust Preferred Capital Securities	4,659				
Total Long-term Borrowings	$ 489,829				

(1) *Rate as of December 31, 2020. Calculated using non-rounded numbers.*

(2) *The total of the trust preferred capital securities and investments in the respective trusts represents the principal asset of the Company's junior subordinated debt securities with like maturities and like interest rates to the capital securities. The Company's investment in the trusts is reported in "Other Assets" on the Company's Consolidated Balance Sheets.*

(3) *The remaining issuance discount as of December 31, 2020 is $1.2 million.*

(4) *Subordinated notes qualify as Tier 2 capital for the Company for regulatory purposes.*

(5) *Fixed-to-floating rate notes. On December 15, 2021, the notes were redeemed in full prior to the interest rate changing to a floating rate of LIBOR plus 3.175%*

(6) *Includes discount on Trust Preferred Capital and Subordinated Debt.*

As of December 31, 2021, the contractual maturities of long-term debt are as follows for the years ending (dollars in thousands):

	Trust Preferred Capital Notes	Subordinated Debt	Fair Value Discount [(1)]	Total Long-term Borrowings
2022	**$ —**	**$ —**	**$ (1,139)**	**$ (1,139)**
2023	**—**	**—**	**(1,162)**	**(1,162)**
2024	**—**	**—**	**(1,187)**	**(1,187)**
2025	**—**	**—**	**(1,211)**	**(1,211)**
2026	**—**	**—**	**(1,236)**	**(1,236)**
Thereafter	**155,159**	**250,000**	**(10,500)**	**394,659**
Total long-term borrowings	**$ 155,159**	**$ 250,000**	**$ (16,435)**	**$ 388,724**

(1) *Includes discount on Trust Preferred Capital Securities and Subordinated Debt.*

10. COMMITMENTS AND CONTINGENCIES

Litigation Matters

In the ordinary course of its operations, the Company and its subsidiaries are involved in various legal and regulatory proceedings. The amount, if any, of ultimate liability with respect to such matters cannot be determined. Despite the uncertainties of such litigation and investigations, and based on the information presently available and after consultation with legal counsel, management believes that the ultimate outcome in such legal proceedings, in the aggregate, will not have a material adverse effect on the business or the financial condition or results of operations of the Company subject to the potential outcomes of the matter discussed below.

On February 9, 2022, pursuant to the CFPB's NORA process, the CFPB Office of Enforcement notified the Bank that it is considering recommending that the CFPB take legal action against the Bank in connection with alleged violations of Regulation E, 12 C.F.R. § 1005.17, and the Consumer Financial Protection Act, 12 U.S.C. §§ 5531 and 5536, in connection with the Bank's overdraft practices and policies. The purpose of the NORA process is to ensure that potential subjects of enforcement actions have the opportunity to respond to alleged violations and present their positions to the CFPB before an enforcement action is recommended or commenced. Should the CFPB commence a legal action, it may seek restitution to affected customers, civil monetary penalties, injunctive relief, or other corrective action. While a loss is reasonably possible related to this matter, an estimate is not possible at this time. The Company and the Bank are unable at this time to determine how or when the matter will be resolved or the significance, if any, to our business, financial condition, or results of operations.

Financial Instruments with Off-Balance Sheet Risk

The Company is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates. These financial instruments include commitments to extend credit and letters of credit. These instruments involve elements of credit and interest rate risk in excess of the amount recognized on the Company's Consolidated Balance Sheets. The contractual amounts of these instruments reflect the extent of the Company's involvement in particular classes of financial instruments.

The Company's exposure to credit loss in the event of nonperformance by the other party to the financial instruments for commitments to extend credit and letters of credit written is represented by the contractual amount of these instruments. The Company uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments. Unless noted otherwise, the Company does not require collateral or other security to support off-balance sheet financial instruments with credit risk. The Company considers credit losses related to off-balance sheet commitments by undergoing a similar process in evaluating losses for loans that are carried on the balance sheet. The Company considers historical loss and funding information, current and future economic conditions, risk ratings, and past due status among other factors in the consideration of expected credit losses in the Company's off-balance sheet commitments to extend credit. The Company also records an indemnification reserve that includes balances relating to mortgage loans previously sold based on historical statistics and loss rates.

As of December 31, 2021 and 2020, the Company's reserves for unfunded commitment and indemnification were $8.4 million and $10.8 million, respectively.

Commitments to extend credit are agreements to lend to customers as long as there are no violations of any conditions established in the contracts. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Because many of the commitments may expire without being completely drawn upon, the total commitment amounts do not necessarily represent future cash requirements.

Letters of credit are conditional commitments issued by the Company to guarantee the performance of customers to third parties. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loans to customers.

The following table presents the balances of commitments and contingencies as of December 31, (dollars in thousands):

	2021	2020
Commitments with off-balance sheet risk:		
Commitments to extend credit [(1)]	**$ 5,825,557**	$ 4,722,412
Letters of credit	**152,506**	161,827
Total commitments with off-balance sheet risk	**$ 5,978,063**	$ 4,884,239

(1) *Includes unfunded overdraft protection.*

As of December 31, 2021, the Company had approximately $187.4 million in deposits in other financial institutions of which $82.3 million served as collateral for cash flow and loan swap derivatives. As of December 31, 2020, the Company had approximately $290.5 million in deposits in other financial institutions of which $251.0 million served as collateral for cash flow and loan swap derivatives. The Company had approximately $102.0 million and $36.4 million in deposits in other financial institutions that were uninsured at December 31, 2021 and 2020, respectively. At least annually, the Company's management evaluates the loss risk of its uninsured deposits in financial counterparties.

For asset/liability management purposes, the Company uses interest rate contracts to hedge various exposures or to modify the interest rate characteristics of various balance sheet accounts. See Note 11 "Derivatives" for additional information.

As part of the Company's liquidity management strategy, it pledges collateral to secure various financing and other activities that occur during the normal course of business. The following tables present the types of collateral pledged at December 31, 2021 and 2020 (dollars in thousands):

	Pledged Assets as of December 31, 2021				
	Cash	AFS Securities [(1)]	HTM Securities [(1)]	Loans [(2)]	Total
Public deposits	**$ —**	**$ 703,489**	**$ 472,243**	**$ —**	**$ 1,175,732**
Repurchase agreements	**—**	**130,217**	**—**	**—**	**130,217**
FHLB advances	**—**	**43,722**	**—**	**4,263,259**	**4,306,981**
Derivatives	**82,299**	**65,053**	**—**	**—**	**147,352**
Fed Funds	**—**	**—**	**—**	**392,067**	**392,067**
Other purposes	**—**	**22,003**	**985**	**—**	**22,988**
Total pledged assets	**$ 82,299**	**$ 964,484**	**$ 473,228**	**$ 4,655,326**	**$ 6,175,337**

	Pledged Assets as of December 31, 2020				
	Cash	AFS Securities [(1)]	HTM Securities [(1)]	Loans [(2)]	Total
Public deposits	$ —	$ 469,864	$ 436,449	$ —	$ 906,313
Repurchase agreements	—	116,876	—	—	116,876
FHLB advances	—	52,323	—	4,374,383	4,426,706
Derivatives	251,047	785	—	—	251,832
Fed Funds	—	—	—	340,847	340,847
Other purposes	—	123,388	8,634	—	132,022
Total pledged assets	$ 251,047	$ 763,236	$ 445,083	$ 4,715,230	$ 6,174,596

(1) *Balance represents market value.*
(2) *Balance represents book value.*

11. DERIVATIVES

The Company is exposed to economic risks arising from its business operations and uses derivatives primarily to manage risk associated with changing interest rates, and to assist customers with their risk management objectives. The Company designates certain derivatives as hedging instruments in a qualifying hedge accounting relationship (cash flow or fair value hedge). The remaining are classified as free-standing derivatives that do not qualify for hedge accounting and consist of interest rate contracts, which include loan swaps and interest rate cap agreements, as well as interest rate lock commitments.

Derivatives Counterparty Credit Risk

Derivative instruments contain an element of credit risk that arises from the potential failure of a counterparty to perform according to the terms of the contract. The Company's exposure to derivative counterparty credit risk, at any point in time, is equal to the amount reported as a derivative asset on the Company's Consolidated Balance Sheets, assuming no recoveries of underlying collateral. The Company clears certain OTC derivatives with central clearinghouses through FCMs due to applicable regulatory requirements, which reduces the Company's counterparty risk.

The Company also enters into legally enforceable master netting agreements and collateral agreements, where possible, with certain derivative counterparties to mitigate the risk of default on a bilateral basis. These bilateral agreements typically provide the right to offset exposures and require one counterparty to post collateral on derivative instruments in a net liability position to the other counterparty. For the OTC derivatives cleared with central clearinghouses, the variation margin is treated as settlement of the related derivatives fair values.

Cash Flow Hedges

The Company designates derivatives as cash flow hedges when they are used to manage exposure to variability in cash flows related to forecasted transactions on variable rate financial instruments. The Company uses interest rate swap agreements as part of its hedging strategy by exchanging a notional amount, equal to the principal amount of the borrowings or commercial loans, for fixed-rate interest based on benchmarked interest rates. The original terms and conditions of the interest rate swaps vary and range in length. Amounts receivable or payable are recognized as accrued under the terms of the agreements.

All swaps were entered into with counterparties that met the Company's credit standards, and the agreements contain collateral provisions protecting the at-risk party. The Company concluded that the credit risk inherent in the contract is not significant.

For derivatives designated and qualifying as cash flow hedges, ineffectiveness is not measured or separately disclosed. Rather, as long as the hedging relationship continues to qualify for hedge accounting, the entire change in the fair value of the hedging instrument is recorded in OCI and recognized in earnings as the hedged transaction affects earnings. Derivative amounts affecting earnings are recognized consistent with the classification of the hedged item.

During the period ended December 31, 2021, the Company executed four interest rate swaps designated and qualifying as cash flow hedges of the Company's forecasted variable interest receipts on variable rate loans due to changes in the interest rate with a notional amount of $500 million at December 31, 2021. The Company did not have any derivatives designated as cash flow hedges at December 31, 2020. For each agreement, the Company receives interest at a fixed rate and pays at a variable rate.

During the period ended December 31, 2020, the Company terminated interest rate swaps designated as cash flow hedges prior to their respective maturity dates resulting in net losses of approximately $1.8 million, which resulted in the losses being recognized immediately in earnings as the forecasted transactions will not occur.

Fair Value Hedges
Derivatives are designated as fair value hedges when they are used to manage exposure to changes in the fair value of certain financial assets and liabilities, referred to as the hedged items, which fluctuate in value as a result of movements in interest rates.

Loans: During the normal course of business, the Company enters into swap agreements to convert certain long-term fixed-rate loans to floating rates to hedge the Company's exposure to interest rate risk. The Company pays a fixed interest rate to the counterparty and receives a floating rate from the same counterparty calculated on the aggregate notional amount. For the years ended December 31, 2021 and 2020, the aggregate notional amount of the related hedged items for certain long-term fixed rate loans totaled $88.6 million and $74.7 million, respectively, and the fair value of the swaps associated with the derivative related to hedged items was an unrealized loss of $620,000 and $5.1 million, respectively.

AFS Securities: The Company has entered into a swap agreement to hedge the interest rate risk on a portion of its fixed rate AFS securities. For the years ended December 31, 2021 and 2020, the aggregate notional amount of the related hedged items of the AFS securities totaled $50.0 million and the fair value of the swaps associated with the derivative related to hedged items was an unrealized loss of $4.1 million and $7.3 million, respectively.

The Company applies hedge accounting in accordance with ASC 815, *Derivatives and Hedging,* and the fair value hedge and the underlying hedged item, attributable to the risk being hedged, are recorded at fair value with unrealized gains and losses being recorded on the Company's Consolidated Statements of Income. The Company assesses the effectiveness of each hedging relationship by comparing the changes in fair value or cash flows on the derivative hedging instrument with the changes in fair value or cash flows on the designated hedged item or transactions for the risk being hedged. If a hedging relationship ceases to qualify for hedge accounting, the relationship is discontinued and future changes in the fair value of the derivative instrument are recognized in current period earnings. For a discontinued or terminated fair value hedging relationship, all remaining basis adjustments to the carrying amount of the hedged item are amortized to interest income or expense over the remaining life of the hedged item consistent with the amortization of other discounts or premiums. Previous balances deferred in AOCI from discontinued or terminated cash flow hedges are reclassified to interest income or expense as the hedged transactions affect earnings or over the originally specified term of the hedging relationship. The Company's hedges continue to be highly effective and had no material impact on the Consolidated Statements of Income.

Interest Rate Contracts
During the normal course of business, the Company enters into interest rate contracts with borrowers to help meet their financing needs. Upon entering into interest rate contracts, the Company enters into offsetting positions with a third party in order to minimize interest rate risk. These interest rate contracts qualify as financial derivatives with fair values as reported in "Other Assets" and "Other Liabilities" on the Company's Consolidated Balance Sheets.

The following table summarizes key elements of the Company's derivative instruments as of December 31, 2021 and 2020, segregated by derivatives that are considered accounting hedges and those that are not (dollars in thousands):

	December 31, 2021			December 31, 2020		
		Derivative [2]			Derivative [2]	
	Notional or Contractual Amount [1]	Assets	Liabilities	Notional or Contractual Amount [1]	Assets	Liabilities
Derivatives designated as accounting hedges:						
Interest rate contracts: [3]						
Cash flow hedges	**$ 500,000**	**$ —**	**$ —**	$ —	$ —	$ —
Fair value hedges	**138,606**	**—**	**5,387**	124,726	—	12,483
Derivatives not designated as accounting hedges:						
Interest rate contracts [3]	**5,017,574**	**73,696**	**49,051**	4,712,906	163,360	163,360

(1) *Notional amounts are not recorded on the Company's Consolidated Balance Sheets and are generally used only as a basis on which interest and other payments are determined.*

(2) *Balances represent fair value of derivative financial instruments.*

(3) *The Company's cleared derivatives are classified as a single-unit of accounting, resulting in the fair value of the designated swap being reduced by the variation margin, which is treated as settlement of the related derivatives fair value for accounting purposes and is reported on a net basis at December 31, 2021. The previous periods presented do not include the offsetting impact of variation margin.*

The following table summarizes the carrying value of the Company's hedged assets in fair value hedges and the associated cumulative basis adjustments included in those carrying values as of December 31, 2021 and 2020 (dollars in thousands):

	December 31, 2021		December 31, 2020	
Line items on the Consolidated Balance Sheets in which the hedged item is included:	Carrying Amount of Hedged Assets/(Liabilities) Amount [1]	Cumulative Amount of Basis Adjustments Included in the Carrying Amount of the Hedged Assets/(Liabilities)	Carrying Amount of Hedged Assets/(Liabilities) Amount [1]	Cumulative Amount of Basis Adjustments Included in the Carrying Amount of the Hedged Assets/(Liabilities)
Securities available-for-sale [1] [2]	**$ 112,562**	**$ 4,051**	$ 166,413	$ 7,297
Loans	**88,606**	**546**	74,726	5,088

(1) *These amounts include the amortized cost basis of the investment securities designated in hedging relationships for which the hedged item is the last layer expected to be remaining at the end of the hedging relationship. For the periods ended December 31, 2021 and 2020, the amortized cost basis of this portfolio was $113 million and $166 million, respectively, and the cumulative basis adjustment associated with this hedge was $4.1 million and $7.3 million, respectively. The amount of the designated hedged item at December 31, 2021 and 2020 totaled $50 million.*

(2) *Carrying value represents amortized cost.*

12. STOCKHOLDERS' EQUITY

Series A Preferred Stock

On June 9, 2020, the Company issued and sold 6,900,000 depositary shares, each representing a 1/400th ownership interest in a share of its Series A preferred stock, with a liquidation preference of $10,000 per share of Series A preferred stock (equivalent to $25 per depositary share), including 900,000 depositary shares pursuant to the exercise in full by the underwriters of their option to purchase additional depositary shares. The total net proceeds to the Company were approximately $166.4 million, after deducting the underwriting discount and other offering expenses payable by the Company.

Repurchase Programs

In 2019, the Company's Board of Directors authorized a share repurchase program to purchase up to $150.0 million of the Company's common stock through June 30, 2021 in open market transactions or privately negotiated transactions. On March 20, 2020, the Company suspended its share repurchase program, which had approximately $20.0 million remaining in authorization at the time. The Company repurchased an aggregate of approximately 3.7 million shares, at an average price of $35.48 per share, under the authorization prior to suspension.

On May 4, 2021, the Company's Board of Directors authorized a share repurchase program to purchase up to $125.0 million worth of the Company's common stock through June 30, 2022 in open market transactions or privately negotiated transactions, which was fully utilized as of September 30, 2021. The Company repurchased an aggregate of approximately 3.4 million shares, at an average price of $36.99 per share, pursuant to this authorization.

On December 10, 2021, the Company's Board of Directors authorized a new share Repurchase Program to purchase up to $100.0 million of the Company's common stock through December 9, 2022 in open market transactions or privately negotiated transactions, including pursuant to a trading plan in accordance with Rule 10b5-1 and /or Rule 10b-18 under the Exchange Act. There were no share repurchase transactions under the Repurchase Program for the year ended December 31, 2021.

Accumulated Other Comprehensive Income (Loss)

The change in accumulated other comprehensive income (loss) for the year ended December 31, 2021 is summarized as follows, net of tax (dollars in thousands):

	Unrealized Gains (Losses) on AFS Securities	Unrealized Gains (Losses) for AFS Securities Transferred to HTM	Change in Fair Value of Cash Flow Hedges	Unrealized Gains (Losses) on BOLI	Total
Balance - December 31, 2020	$ 74,161	$ 55	$ —	$ (3,201)	$ 71,015
Other comprehensive income (loss):					
Other comprehensive loss before reclassification	**(51,329)**	**—**	**(1,520)**	**—**	**(52,849)**
Amounts reclassified from AOCI into earnings	**(69)**	**(20)**	**(47)**	**605**	**469**
Net current period other comprehensive income (loss)	**(51,398)**	**(20)**	**(1,567)**	**605**	**(52,380)**
Balance - December 31, 2021	**$ 22,763**	**$ 35**	**$ (1,567)**	**$ (2,596)**	**$ 18,635**

The change in accumulated other comprehensive income (loss) for the year ended December 31, 2020 is summarized as follows, net of tax (dollars in thousands):

	Unrealized Gains (Losses) on AFS Securities	Unrealized Gains (Losses) for AFS Securities Transferred to HTM	Change in Fair Value of Cash Flow Hedges	Unrealized Gains (Losses) on BOLI	Total
Balance - December 31, 2019	$ 37,877	$ 75	$ (782)	$ (1,595)	$ 35,575
Other comprehensive income (loss):					
Other comprehensive income (loss) before reclassification	45,996	—	(699)	(2,098)	43,199
Amounts reclassified from AOCI into earnings	(9,712)	(20)	1,481	492	(7,759)
Net current period other comprehensive income (loss)	36,284	(20)	782	(1,606)	35,440
Balance - December 31, 2020	$ 74,161	$ 55	$ —	$ (3,201)	$ 71,015

The change in accumulated other comprehensive income (loss) for the year ended December 31, 2019 is summarized as follows, net of tax (dollars in thousands):

	Unrealized Gains (Losses) on AFS Securities	Unrealized Gains (Losses) for AFS Securities Transferred to HTM	Change in Fair Value of Cash Flow Hedges	Unrealized Gains (Losses) on BOLI	Total
Balance - December 31, 2018	$ (5,949)	$ 95	$ (3,393)	$ (1,026)	$ (10,273)
Other comprehensive income (loss):					
Other comprehensive income (loss) before reclassification	49,890	—	(5,103)	(646)	44,141
Amounts reclassified from AOCI into earnings	(6,064)	(20)	7,714	77	1,707
Net current period other comprehensive income (loss)	43,826	(20)	2,611	(569)	45,848
Balance - December 31, 2019	$ 37,877	$ 75	$ (782)	$ (1,595)	$ 35,575

13. REGULATORY MATTERS AND CAPITAL

Capital resources represent funds, earned or obtained, over which financial institutions can exercise greater or longer control in comparison with deposits and borrowed funds. Management seeks to maintain a capital structure that will assure an adequate level of capital to support anticipated asset growth and to absorb potential losses, yet allow management to effectively leverage its capital to maximize return to shareholders. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on financial statements of the Company and the Bank. Under capital adequacy guidelines and the regulatory framework for PCA, the Company and the Bank must meet specific capital guidelines that involve quantitative measures of their assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. The capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors. PCA provisions are not applicable to financial holding companies and bank holding companies, but only to their bank subsidiaries.

As of December 31, 2021 and 2020, the most recent notification from the FRB categorized the Bank as "well capitalized" under the regulatory framework for PCA. To be categorized as "well-capitalized," an institution must maintain minimum total risk-based, Tier 1 risk-based, Tier 1 leverage, and common equity Tier 1 ratios as set forth in the following tables. There are no conditions or events since that notification that management believes have changed the Bank's category.

On March 27, 2020, the banking agencies issued an interim final rule that allows the Company to phase in the impact of adopting the CECL methodology up to two years, with a three-year transition period to phase out the cumulative benefit to regulatory capital provided during the two-year delay. The Company is allowed to include the impact of the CECL transition, which is defined as the CECL Day 1 impact to capital plus 25% of the Company's provision for credit losses during 2020, in regulatory capital through 2021. The Company elected to phase in the regulatory capital impact as permitted under the aforementioned interim final rule. Beginning in 2022, the transition amount will begin to impact regulatory capital by phasing it in over a three-year period ending in 2024.

The Company and the Bank's capital amounts and ratios are also presented in the following table at December 31, 2021 and 2020 (dollars in thousands):

	Actual		Required for Capital Adequacy Purposes		Required in Order to Be Well Capitalized Under PCA	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2021						
Common equity Tier 1 capital to risk weighted assets:						
Consolidated	**$ 1,569,752**	**10.24 %**	**$ 689,832**	**4.50%**	**NA**	**NA**
Atlantic Union Bank	**1,990,753**	**13.03 %**	**687,520**	**4.50%**	**993,085**	**6.50%**
Tier 1 capital to risk weighted assets:						
Consolidated	**1,736,108**	**11.32 %**	**920,199**	**6.00%**	**NA**	**NA**
Atlantic Union Bank	**1,990,753**	**13.03 %**	**916,694**	**6.00%**	**1,222,258**	**8.00%**
Total capital to risk weighted assets:						
Consolidated	**2,173,543**	**14.17 %**	**1,227,124**	**8.00%**	**NA**	**NA**
Atlantic Union Bank	**2,044,123**	**13.38 %**	**1,222,196**	**8.00%**	**1,527,745**	**10.00%**
Tier 1 capital to average adjusted assets:						
Consolidated	**1,736,108**	**9.01 %**	**770,747**	**4.00%**	**NA**	**NA**
Atlantic Union Bank	**1,990,753**	**10.37 %**	**767,889**	**4.00%**	**959,862**	**5.00%**
As of December 31, 2020						
Common equity Tier 1 capital to risk weighted assets:						
Consolidated	$ 1,512,507	10.26 %	$ 663,380	4.50%	NA	NA
Atlantic Union Bank	1,824,693	12.42 %	661,121	4.50%	954,952	6.50%
Tier 1 capital to risk weighted assets:						
Consolidated	1,678,863	11.39 %	884,388	6.00%	NA	NA
Atlantic Union Bank	1,824,693	12.42 %	881,494	6.00%	1,175,326	8.00%
Total capital to risk weighted assets:						
Consolidated	2,063,356	14.00 %	1,179,061	8.00%	NA	NA
Atlantic Union Bank	1,924,016	13.09 %	1,175,869	8.00%	1,469,837	10.00%
Tier 1 capital to average adjusted assets:						
Consolidated	1,678,863	8.95 %	750,330	4.00%	NA	NA
Atlantic Union Bank	1,824,693	9.75 %	748,592	4.00%	935,740	5.00%

14. FAIR VALUE MEASUREMENTS

The Company follows ASC 820 to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. ASC 820 clarifies that fair value of certain assets and liabilities is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing market participants.

ASC 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. The three levels of the fair value hierarchy under ASC 820 based on these two types of inputs are as follows:

Level 1	Valuation is based on quoted prices in active markets for identical assets and liabilities.
Level 2	Valuation is based on observable inputs including quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets and liabilities in less active markets, and model-based valuation techniques for which significant assumptions can be derived primarily from or corroborated by observable data in the markets.
Level 3	Valuation is based on model-based techniques that use one or more significant inputs or assumptions that are unobservable in the market. These unobservable inputs reflect the Company's assumptions about what market participants would use and information that is reasonably available under the circumstances without undue cost and effort.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following describes the valuation techniques used by the Company to measure certain financial assets and liabilities recorded at fair value on a recurring basis in the financial statements.

Derivative Instruments

As discussed in Note 11 "Derivatives," the Company records derivative instruments at fair value on a recurring basis. The Company utilizes derivative instruments as part of the management of interest rate risk to modify the re-pricing characteristics of certain portions of the Company's interest-bearing assets and liabilities. The Company has contracted with a third-party vendor to provide valuations for derivatives using standard valuation techniques and therefore classifies such valuations as Level 2. Third party valuations are validated by the Company using Bloomberg Valuation Service's derivative pricing functions. No material differences were identified during the validation as of December 31, 2021 and 2020. The Company has considered counterparty credit risk in the valuation of its derivative assets and has considered its own credit risk in the valuation of its derivative liabilities. Mortgage banking derivatives as of December 31, 2021 and 2020 did not have a material impact on the Company's Consolidated Financial Statements.

AFS Securities

AFS securities are recorded at fair value on a recurring basis. Fair value measurement is based upon quoted market prices, when available (Level 1). If quoted market prices are not available, fair values are measured utilizing independent valuation techniques of identical or similar securities for which significant assumptions are derived primarily from or corroborated by observable market data (Level 2). If the inputs used to provide the evaluation for certain securities are unobservable and/or there is little, if any, market activity, then the security would fall to the lowest level of the hierarchy (Level 3).

The Company's investment portfolio is primarily valued using fair value measurements that are considered to be Level 2. The Company has contracted with a third-party portfolio accounting service vendor for valuation of its securities portfolio. The vendor's primary source for security valuation is ICE, which evaluates securities based on market data. ICE utilizes evaluated pricing models that vary by asset class and include available trade, bid, and other market information. Generally, the methodology includes broker quotes, proprietary models, vast descriptive terms and conditions databases, as well as extensive quality control programs.

The vendor utilizes proprietary valuation matrices for valuing all municipals securities. The initial curves for determining the price, movement, and yield relationships within the municipal matrices are derived from industry benchmark curves or sourced from a municipal trading desk. The securities are further broken down according to issuer, credit support, state of issuance, and rating to incorporate additional spreads to the industry benchmark curves.

The Company primarily uses Bloomberg Valuation Service, an independent information source that draws on quantitative models and market data contributed from over 4,000 market participants, to validate third party valuations. Any material differences between valuation sources are researched by further analyzing the various inputs that are utilized by each pricing source. No material differences were identified during the validation as of December 31, 2021 and 2020.

The carrying value of restricted FRB and FHLB stock approximates fair value based on the redemption provisions of each entity and is therefore excluded from the table below.

Loans Held for Sale
Residential loans originated for sale in the open market are carried at fair value. Fair value is based on the price secondary markets are currently offering for similar loans using observable market data which is not materially different than cost due to the short duration between origination and sale (Level 2). Gains and losses on the sale of loans are recorded in current period earnings as a component of "Mortgage banking income" on the Company's Consolidated Statements of Income.

The following table presents the balances of financial assets and liabilities measured at fair value on a recurring basis at December 31, 2021 and 2020 (dollars in thousands):

	Fair Value Measurements at December 31, 2021 using			
	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Balance
ASSETS				
AFS securities:				
U.S. government and agency securities	$ 64,474	$ 9,375	$ —	$ 73,849
Obligations of states and political subdivisions	—	1,008,396	—	1,008,396
Corporate and other bonds[1]	—	153,376	—	153,376
MBS	—	2,244,389	—	2,244,389
Other securities	—	1,640	—	1,640
LHFS	—	20,861	—	20,861
Derivatives:				
Interest rate contracts	—	73,696	—	73,696
LIABILITIES				
Derivatives:				
Interest rate contracts	$ —	$ 49,051	$ —	$ 49,051
Fair value hedges	—	5,387	—	5,387

(1) *Other bonds include asset-backed securities.*

	Fair Value Measurements at December 31, 2020 using			
	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Balance
ASSETS				
AFS securities:				
U.S. government and agency securities	$ —	$ 13,394	$ —	$ 13,394
Obligations of states and political subdivisions	—	837,326	—	837,326
Corporate and other bonds[(1)]	—	151,078	—	151,078
MBS	—	1,536,996	—	1,536,996
Other securities	—	1,625	—	1,625
LHFS	—	96,742	—	96,742
Derivatives:				
Interest rate contracts	—	163,360	—	163,360
LIABILITIES				
Derivatives:				
Interest rate contracts	$ —	$ 163,360	$ —	$ 163,360
Fair value hedges	—	12,483	—	12,483

(1) *Other bonds include asset-backed securities.*

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis
Certain assets are measured at fair value on a nonrecurring basis in accordance with U.S. GAAP. Adjustments to the fair value of these assets usually result from the application of lower-of-cost-or-market accounting or write-downs of individual assets after they are evaluated for impairment. The primary assets accounted for at fair value on a nonrecurring basis are related to foreclosed properties, former bank premises, and collateral-dependent loans that are individually assessed. When the asset is secured by real estate, the Company measures the fair value utilizing an income or market valuation approach based on an appraisal conducted by an independent, licensed appraiser using observable market data. Management may discount the value from the appraisal in determining the fair value if, based on its understanding of the market conditions, the collateral had been impaired below the appraised value (Level 3). The assets for which a nonrecurring fair value measurement was recorded during the period ended December 31, 2021 and 2020 was $11.3 million and $12.7 million, respectively. The nonrecurring valuation adjustments for these assets did not have a material impact on the Company's consolidated financial statements.

Fair Value of Financial Instruments
ASC 825, *Financial Instruments*, requires disclosure about fair value of financial instruments for interim periods and excludes certain financial instruments and all non-financial instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented may not necessarily represent the underlying fair value of the Company.

Cash and Cash Equivalents
For those short-term instruments, the carrying amount is a reasonable estimate of fair value.

HTM Securities

The Company's investment portfolio is primarily valued using fair value measurements that are considered to be Level 2. The Company has contracted with a third-party portfolio accounting service vendor for valuation of its securities portfolio. The vendor's primary source for security valuation is ICE, which evaluates securities based on market data. ICE utilizes evaluated pricing models that vary by asset class and include available trade, bid, and other market information. Generally, the methodology includes broker quotes, proprietary models, vast descriptive terms and conditions databases, as well as extensive quality control programs.

The vendor utilizes proprietary valuation matrices for valuing all municipals securities. The initial curves for determining the price, movement, and yield relationships within the municipal matrices are derived from industry benchmark curves or sourced from a municipal trading desk. The securities are further broken down according to issuer, credit support, state of issuance, and rating to incorporate additional spreads to the industry benchmark curves.

The Company primarily uses Bloomberg Valuation Service, an independent information source that draws on quantitative models and market data contributed from over 4,000 market participants, to validate third party valuations. Any material differences between valuation sources are researched by further analyzing the various inputs that are utilized by each pricing source. No material differences were identified during the validation as of December 31, 2021 and 2020. The Company's Level 3 securities are a result of the Access acquisition and are comprised of asset-backed securities and municipal bonds. Valuations of the asset-backed securities are provided by a third party vendor specializing in the SBA markets, and are based on underlying loan pool information, market data, and recent trading activity for similar securities. Valuations of the municipal bonds are provided by a third party vendor that specializes in hard-to-value securities, and are based on a discounted cash flow model and considerations for the complexity of the instrument, likelihood it will be called and credit ratings. The Company reviews the valuation of both security types for reasonableness in the context of market conditions and to similar bonds in the Company's portfolio. Any material differences between valuation sources are researched by further analyzing the various inputs that are utilized by each pricing source. No material differences were identified during the validation as of December 31, 2021 and 2020.

Loans and Leases
The fair value of loans and leases were estimated using an exit price, representing the amount that would be expected to be received if the Company sold the loans and leases. The fair value of performing loans and leases were estimated through use of discounted cash flows. Credit loss assumptions were based on market PD/LGD for loan and lease cohorts. The discount rate was based primarily on recent market origination rates. Fair value of loans and leases individually assessed and their respective levels within the fair value hierarchy are described in the previous section related to fair value measurements of assets that are measured on a nonrecurring basis.

Bank Owned Life Insurance
The carrying value of BOLI approximates fair value. The Company records these policies at their cash surrender value, which is estimated using information provided by insurance carriers.

Deposits
The fair value of demand deposits, savings accounts, and certain money market deposits is the amount payable on demand at the reporting date. The fair value of certificates of deposits were valued using a discounted cash flow calculation that includes a market rate analysis of the current rates offered by market participants for certificates of deposits that mature in the same period.

Accrued Interest
The carrying amounts of accrued interest approximate fair value.

The carrying values and estimated fair values of the Company's financial instruments as of December 31, 2021 and 2020 are as follows (dollars in thousands):

		Fair Value Measurements at December 31, 2021 using			
	Carrying Value	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total Fair Value Balance
ASSETS					
Cash and cash equivalents	**$ 802,501**	**$ 802,501**	**$ —**	**$ —**	**$ 802,501**
AFS securities	**3,481,650**	**64,474**	**3,417,176**	**—**	**3,481,650**
HTM securities	**628,000**	**—**	**686,733**	**7,041**	**693,774**
Restricted stock	**76,825**	**—**	**76,825**	**—**	**76,825**
LHFS	**20,861**	**—**	**20,861**	**—**	**20,861**
Net loans	**13,096,056**	**—**	**—**	**12,861,274**	**12,861,274**
Derivatives:					
Interest rate contracts	**73,696**	**—**	**73,696**	**—**	**73,696**
Accrued interest receivable	**65,015**	**—**	**65,015**	**—**	**65,015**
BOLI	**431,517**	**—**	**431,517**	**—**	**431,517**
LIABILITIES					
Deposits	**$ 16,611,068**	**$ —**	**$ 16,630,087**	**$ —**	**$ 16,630,087**
Borrowings	**506,594**	**—**	**488,796**	**—**	**488,796**
Accrued interest payable	**933**	**—**	**933**	**—**	**933**
Derivatives:					
Interest rate contracts	**49,051**	**—**	**49,051**	**—**	**49,051**
Fair value hedges	**5,387**	**—**	**5,387**	**—**	**5,387**

		Fair Value Measurements at December 31, 2020 using			
	Carrying Value	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total Fair Value Balance
ASSETS					
Cash and cash equivalents	$ 493,294	$ 493,294	$ —	$ —	$ 493,294
AFS securities	2,540,419	—	2,540,419	—	2,540,419
HTM securities	544,851	—	606,496	13,269	619,765
Restricted stock	94,782	—	94,782	—	94,782
LHFS	96,742	—	96,742	—	96,742
Net loans	13,860,774	—	—	13,710,640	13,710,640
Derivatives:					
Interest rate contracts	163,360	—	163,360	—	163,360
Accrued interest receivable	75,757	—	75,757	—	75,757
BOLI	326,892	—	326,892	—	326,892
LIABILITIES					
Deposits	$ 15,722,765	$ —	$ 15,763,991	$ —	$ 15,763,991
Borrowings	840,717	—	821,516	—	821,516
Accrued interest payable	2,516	—	2,516	—	2,516
Derivatives:					
Interest rate contracts	163,360	—	163,360	—	163,360
Fair value hedges	12,483	—	12,483	—	12,483

The Company assumes interest rate risk (the risk that general interest rate levels will change) as a result of its normal operations. As a result, the fair values of the Company's financial instruments will change when interest rate levels change and that change may be either favorable or unfavorable to the Company. Management attempts to match maturities of assets and liabilities to the extent believed necessary to minimize interest rate risk. Borrowers with fixed rate obligations, however, are less likely to prepay in a rising rate environment and more likely to prepay in a falling rate environment. Conversely, depositors who are receiving fixed rates are more likely to withdraw funds before maturity in a rising rate environment and less likely to do so in a falling rate environment. Management monitors rates and maturities of assets and liabilities and attempts to minimize interest rate risk by adjusting terms of new loans and deposits and by investing in securities with terms that mitigate the Company's overall interest rate risk.

15. REVENUE

The majority of the Company's noninterest income comes from short term contracts associated with fees for services provided on deposit accounts, credit cards, and wealth management accounts and is being accounted for in accordance with Topic 606. Typically, the duration of a contract does not extend beyond the services performed; therefore, the Company concluded that discussion regarding contract balances is immaterial.

The Company's performance obligations on revenue from interchange fees and deposit accounts are generally satisfied immediately, when the transaction occurs, or by month-end. Performance obligations on revenue from fiduciary and asset management fees are generally satisfied monthly or quarterly. For a majority of fee income on deposit accounts the Company is a principal, controlling the promised good or service before transferring it to the customer. For the majority of income related to wealth management income, the Company is an agent, responsible for arranging for the provision of goods and services by another party.

Mortgage banking income is earned when the originated loans are sold to an investor on the secondary market. The loans are classified as LHFS prior to being sold. Additionally, the changes in fair value of the LHFS, loan commitments, and related derivatives are included in mortgage banking income.

Noninterest income disaggregated by major source for the years ended December 31, 2021, 2020, and 2019 consisted of the following (dollars in thousands):

	2021	2020	2019
Noninterest income:			
Deposit Service Charges [1]:			
Overdraft fees	**$ 17,126**	$ 17,792	$ 24,092
Maintenance fees & other	**9,996**	7,459	6,110
Other service charges, commissions, and fees [1]	**6,595**	6,292	6,423
Interchange fees [1]	**8,279**	7,184	14,619
Fiduciary and asset management fees [1]:			
Trust asset management fees	**12,571**	10,804	9,141
Registered advisor management fees	**9,856**	8,657	10,107
Brokerage management fees	**5,135**	4,189	4,117
Mortgage banking income	**21,022**	25,857	10,303
Gains on securities transactions	**87**	12,294	7,675
Bank owned life insurance income	**11,488**	9,554	8,311
Loan-related interest rate swap fees	**5,620**	15,306	14,126
Other operating income [2][3][4]	**18,031**	6,098	17,791
Total noninterest income	**$ 125,806**	$ 131,486	$ 132,815

[1] *Income within scope of Topic 606.*

[2] *For the year ended December 31, 2019, includes $9.8 million in life insurance proceeds related to a Xenith-acquired loan that had been charged off prior to the Company's acquisition of Xenith.*

[3] *For the year ended December 31, 2020, includes a $1.8 million loss related to the termination of a cash flow hedge.*

[4] *For the year ended December 31, 2021, includes a $5.1 million gain on sale of Visa, Inc. Class B common stock.*

16. EMPLOYEE BENEFITS AND STOCK BASED COMPENSATION

The Company has a 401(k) Plan designed to qualify under Section 401 of the Code that allows employees to defer a portion of their salary compensation as savings for retirement. The 401(k) Plan provides for the Company to match employee contributions based on each employee's elected contribution percentage. For each employee's 1% through 3% dollar contributions, the Company will match 100% of such dollar contributions, and for each employee's 4% through 5% dollar contributions, the Company will match 50% of such dollar contributions. All employees are eligible to participate in the 401(k) Plan after meeting minimum age and service requirements. The Company also has an ESOP. All employees of the Company meeting minimum age and service requirements are eligible to participate in the ESOP plan. The Company makes discretionary profit-sharing contributions into the 401(k) Plan, ESOP, and in cash bonus payments. Company discretionary contributions to both the 401(k) Plan and the ESOP are allocated to participant accounts in proportion to each participant's compensation and vest according to the respective plan's vesting schedule. Employee contributions to the ESOP are not allowed.

The 2019 information presented includes discontinued operations. Refer to Note 1 "Summary of Significant Accounting Policies" in this Form 10-K for further discussion regarding discontinued operations.

The following 401(k) Plan match and other discretionary contributions were made to the Company's employees, in accordance with the plans described above, in 2021, 2020, and 2019 (dollars in thousands):

	2021	2020	2019
401(k) Plan	**$ 6,515**	$ 6,265	$ 5,550
ESOP	**750**	1,000	1,163
Cash	**674**	697	780
Total	**$ 7,939**	$ 7,962	$ 7,493

The Company maintains certain deferred compensation arrangements with employees and certain current and former members of the Bank's Boards of Directors. Under these deferred compensation plans, the Company had an obligation of $17.5 million at December 31, 2021 and $15.8 million at December 31, 2020. The Company owns life insurance policies on plan beneficiaries as an informal funding vehicle to meet future benefit obligations.

The Atlantic Union Bankshares Corporation Stock and Incentive Plan (the "Plan") was amended and restated by the Board of Directors of the Company on February 23, 2021, which amendment and restatement became effective on May 4, 2021 when approved by shareholders of the Company. The Plan was originally adopted by the Board as the Union First Market Bankshares Corporation 2011 Stock Incentive Plan (the "2011 Plan") on November 2, 2010, and became effective on January 1, 2011, subject to the approval by the Company's shareholders, which was obtained on April 26, 2011. The 2011 Plan was amended and restated as the Union Bankshares Corporation Stock and Incentive Plan (the "2015 Plan") by the Board on January 29, 2015, which amendment and restatement became effective on April 21, 2015 when approved by shareholders of the Company. The 2015 Plan amended the 2011 Plan to, among other things, increase the maximum number of shares of the Company's common stock issuable under the plan from 1,000,000 to 2,500,000 and add non-employee directors of the Company and certain subsidiaries, as well as regional advisory boards, as potential participants in the plan. The 2015 Plan was further amended by the Board effective May 20, 2019 to reflect the new name of the Company. The 2021 amendment and restatement amended and restated the 2015 Plan to, among other things, increase the maximum number of shares of the Company's common stock issuable under the plan from 2,500,000 to 4,000,000. The Company may grant awards under the Plan until May 3, 2031. As of December 31, 2021, there were 1,855,601 shares available for future issuance in the Plan.

The Plan provides for the granting of stock-based awards to key employees and non-employee directors of the Company and its subsidiaries in the form of: (i) stock options; (ii) RSAs, (iii) RSUs, (iv) stock awards; (v) PSUs; and performance cash awards. The Company issues new shares to satisfy stock-based awards. For option awards, the option price cannot be less than the fair market value of the stock on the grant date. Stock option awards have a maximum term of ten years from the date of grant, and generally become exercisable over a 5 year period beginning on the first anniversary of the date of grant. No stock options have been granted since February 2012. In 2019 the Company assumed additional stock options with the acquisition of Access. The stock option awards have a maximum term of five years from the date of grant, and generally become exercisable over a 4 year period beginning on the first anniversary of the date of grant. RSAs and PSUs typically have vesting schedules over three-year to four-year periods and the expense is recognized over the vesting period.

For the years ended December 31, 2021, 2020, and 2019, the Company recognized stock-based compensation expense, which is included in "Salaries and benefits" expense on the Company's Consolidated Statements of Income (dollars in thousands, except per share data) as follows:

	Year Ended December 31,		
	2021	2020	2019
Stock-based compensation expense	**$ 10,091**	$ 9,258	$ 8,332
Reduction of income tax expense	**2,119**	1,944	1,750
Per share compensation cost	**$ 0.10**	$ 0.09	$ 0.08

Stock Options

The following table summarizes the stock option activity during the year ended December 31, 2021:

	Stock Options (shares)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Outstanding as of December 31, 2020	**348,660**	**$ 33.81**		
Granted	**—**	**—**		
Exercised	**(104,514)**	**29.83**		
Forfeited	**(3,932)**	**32.17**		
Expired	**(31,459)**	**36.53**		
Outstanding as of December 31, 2021	**208,755**	**35.43**	**1.11**	**$ 529,246**
Exercisable as of December 31, 2021	**192,561**	**35.73**	**1.04**	**440,827**

During the year ended December 31, 2021, there were 104,514 stock options exercised with a total intrinsic value (the amount by which the stock price exceeded the exercise price) and fair value of approximately $903,000 and $4.0 million, respectively. Cash received from the exercise of stock options for the year ended December 31, 2021 was approximately $3.1 million, and the tax benefit realized from tax deductions associated with options exercised during the year was approximately $159,000. The total intrinsic value of all stock options outstanding was $529,000 as of December 31, 2021.

During the year ended December 31, 2020, there were 46,278 stock options exercised with a total intrinsic value (the amount by which the stock price exceeded the exercise price) and fair value of approximately $555,000 and $1.6 million, respectively. Cash received from the exercise of stock options for the year ended December 31, 2020 was approximately $1.0 million, and the tax benefit realized from tax deductions associated with options exercised during the year was approximately $112,000. The total intrinsic value of all stock options outstanding was $798,000 as of December 31, 2020.

During the year ended December 31, 2019, there were 56,619 stock options exercised with a total intrinsic value (the amount by which the stock price exceeded the exercise price) and fair value of approximately $684,000 and $2.1 million, respectively. Cash received from the exercise of stock options for the year ended December 31, 2019 was approximately $1.4 million, and the tax benefit realized from tax deductions associated with options exercised during the year was approximately $127,000. The total intrinsic value of all stock options outstanding was $2.3 million as of December 31, 2019.

Restricted Stock

The Plan permits the granting of RSAs. Generally, RSAs vest one-third on each of the first, second and third anniversaries from the date of the grant. The value of the RSAs was calculated by multiplying the fair market value of the Company's common stock on the grant date by the number of shares awarded. Employees have the right to vote the shares and to receive cash or stock dividends for RSAs, if any. Nonvested shares of restricted stock are included in the computation of basic earnings per share.

The following table summarizes the restricted stock activity for the year ended December 31, 2021:

	Number of Shares of RSAs	Weighted Average Grant-Date Fair Value
Unvested as of December 31, 2020	**406,507**	**$ 35.61**
Granted	**241,447**	**37.47**
Net settle for taxes	**(56,119)**	**35.74**
Vested	**(168,377)**	**35.95**
Forfeited	**(23,391)**	**36.03**
Unvested as of December 31, 2021	**400,067**	**36.55**

Performance Stock

The Plan permits the granting of PSUs. PSUs are granted to certain employees at no cost to the recipient and are subject to vesting based on achieving certain performance metrics; the grant of PSUs is subject to approval by the Company's Compensation Committee at its sole discretion. PSUs may be paid in cash or shares of common stock or a combination thereof. Holders of PSUs have no right to vote the shares represented by the units. In 2021, the PSUs awarded were market based awards with the number of PSUs ultimately earned based on the Company's total shareholder return as measured over the performance period.

	Number of Shares of PSUs	Weighted Average Grant-Date Fair Value
Unvested as of December 31, 2020	**197,810**	**$ 34.84**
Granted	**103,308**	**34.29**
Net settle for taxes	**(15,034)**	**38.00**
Vested	**(46,622)**	**37.64**
Forfeited	**(10,107)**	**33.18**
Unvested as of December 31, 2021	**229,355**	**33.89**

During years ended December 31, 2021, 2020 and 2019 PSUs were awarded with a market based component based on total shareholder return. The fair value of each PSU granted is estimated on the date of grant using the Monte Carlo simulation lattice model that uses the assumptions noted in the following table:

	2021[5]	2020[5]	2019[5]
Dividend yield[1]	**2.66 %**	2.83 %	2.57 %
Expected life in years[2]	**2.85**	2.86	2.86
Expected volatility[3]	**45.75 %**	24.33 %	24.04 %
Risk-free interest rate[4]	**0.20 %**	1.35 %	2.48 %

(1) *Calculated as the ratio of the current dividend paid per the stock price on the date of grant.*
(2) *Represents the remaining performance period as of the grant date.*
(3) *Based on the historical volatility for the period commensurate with the expected life of the PSUs.*
(4) *Based upon the zero-coupon U.S. Treasury rate commensurate with the expected life of the PSUs on the grant date.*
(5) *Assumptions disclosed represent those used in the primary annual issuance.*

The estimated unamortized compensation expense, net of estimated forfeitures, related to, restricted stock, performance stock and stock options issued and outstanding as of December 31, 2021 that will be recognized in future periods is as follows (dollars in thousands):

	Restricted Stock	Performance Stock	Stock Options	Total
2022	**$ 5,109**	**$ 1,875**	**$ 50**	**$ 7,034**
2023	**2,902**	**962**	**3**	**3,867**
2024	**482**	**—**	**—**	**482**
2025	**4**	**—**	**—**	**4**
Total	**$ 8,497**	**$ 2,837**	**$ 53**	**$ 11,387**

17. INCOME TAXES

The Company files income tax returns in the U.S., the Commonwealth of Virginia, and other states. With few exceptions, the Company is no longer subject to U.S. federal or state income tax examinations by tax authorities for years prior to 2018.

Net deferred tax assets and liabilities consist of the following components as of December 31, 2021 and 2020 (dollars in thousands):

	2021	2020
Deferred tax assets:		
Credit losses	**$ 30,132**	$ 48,505
Benefit plans	**4,016**	3,332
Acquisition accounting	**5,711**	10,038
Lease right-of-use asset	**12,889**	14,893
Stock grants	**2,642**	2,305
OREO	**6,110**	2,971
Securities available for sale	**894**	1,017
Net operating losses	**41,573**	47,463
Nonaccrual loans	**733**	2,011
Other	**4,760**	7,287
Total deferred tax assets	**$ 109,460**	$ 139,822
Deferred tax liabilities:		
Acquisition accounting	**$ 13,252**	$ 16,271
Lease right-of-use liability	**10,105**	12,012
Premises and equipment	**47,832**	19,066
Securities available for sale	**6,051**	19,714
Other	**1,193**	674
Total deferred tax liabilities	**78,433**	67,737
Net deferred tax asset	**$ 31,027**	$ 72,085

At December 31, 2021, the Company had federal NOL carryforwards of approximately $105.8 million, of which approximately $84.8 million under pre-2018 law can be carried forward 20 years, and $21 million that can be carried forward indefinitely. The Company also had state NOL carryforwards of approximately $459.4 million, of which approximately $219 million will begin to expire after 2026, and $240.4 million that can be carried forward indefinitely. In assessing the ability to realize deferred tax assets, the Company considers the scheduled reversal of temporary differences, projected future taxable income, and tax planning strategies in accordance with ASC 740-10-30. Based on its latest analysis, at December 31, 2021, the Company concluded that it is more likely than not that the Company would be able to fully realize its deferred tax asset.

The Company has analyzed the tax positions taken or expected to be taken in its tax returns and concluded it has no liability related to uncertain tax positions in accordance with applicable ASC 740, *Accounting for Uncertainty in Income Taxes*.

The income tax expense for the years ended December 31, 2021, 2020, and 2019 consists of the following (dollars in thousands):

	2021	2020	2019
Current tax expense	**$ 11,330**	$ 25,376	$ 22,500
Deferred tax expense	**43,512**	2,690	15,057
Income tax expense	**$ 54,842**	$ 28,066	$ 37,557

The income tax expense differs from the amount of income tax determined by applying the U.S. federal income tax rate to pre-tax income for the years ended December 31, 2021, 2020, and 2019 due to the following (dollars in thousands):

	2021	2020	2019
Computed "expected" tax expense	**$ 66,939**	$ 39,122	$ 48,564
(Decrease) in taxes resulting from:			
Tax-exempt interest income, net	**(9,820)**	(8,844)	(8,259)
State income tax benefit	**(1,039)**	(310)	(1,078)
Other, net	**(1,238)**	(1,902)	(1,670)
Income tax expense	**$ 54,842**	$ 28,066	$ 37,557

For the years ended December 31, 2021, 2020, and 2019, the effective tax rates were 17.2%, 15.1% and 16.2%, respectively, and tax credits totaled approximately $3.6 million, $3.0 million and $2.9 million, respectively.

18. EARNINGS PER SHARE

Basic EPS is computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted EPS is computed using the weighted average number of common shares outstanding during the period, including the effect of dilutive potential common shares outstanding attributable to stock awards.

The following table presents EPS from continuing operations, discontinued operations and total net income available to common shareholders for the years ended December 31, (in thousands except per share data):

	2021	2020	2019
Net Income:			
Income from continuing operations	**$ 263,917**	$ 158,228	$ 193,698
Income (loss) from discontinued operations	**—**	—	(170)
Net income	**263,917**	158,228	193,528
Less: Preferred Stock Dividends	**11,868**	5,658	—
Net income available to common shareholders	**$ 252,049**	$ 152,570	$ 193,528
Weighted average shares outstanding, basic	**77,400**	78,859	80,201
Dilutive effect of stock awards	**18**	17	63
Weighted average shares outstanding, diluted	**77,418**	78,876	80,264
Basic EPS:			
EPS from continuing operations	**$ 3.26**	$ 1.93	$ 2.41
EPS available to common shareholders	**$ 3.26**	$ 1.93	$ 2.41
Diluted EPS:			
EPS from continuing operations	**$ 3.26**	$ 1.93	$ 2.41
EPS available to common shareholders	**$ 3.26**	$ 1.93	$ 2.41

19. RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Company may have loans issued to its executive officers, directors, and principal shareholders. Pursuant to its policy, such loans are made in the ordinary course of business and do not involve more than the normal risk of collectability.

20. PARENT COMPANY FINANCIAL INFORMATION

The primary source of funds for the dividends paid by Atlantic Union Bankshares Corporation (for this note only, the "Parent Company") is dividends received from its subsidiaries. The payments of dividends by the Bank to the Parent Company are subject to certain statutory limitations which contemplate that the current year earnings and earnings retained for the two preceding years may be paid to the Parent Company without regulatory approval. As of December 31, 2021, the aggregate amount of unrestricted funds that could be transferred from the Bank to the Parent Company without prior regulatory approval totaled approximately $413.9 million, or 15.3%, of the consolidated net assets.

Financial information for the Parent Company is as follows:

PARENT COMPANY
CONDENSED BALANCE SHEETS
AS OF DECEMBER 31, 2021 and 2020
(Dollars in thousands)

	2021	2020
ASSETS		
Cash	**$ 105,464**	$ 116,748
Premises and equipment, net	—	10,435
Other assets	**59,252**	30,429
Investment in subsidiaries	**2,963,401**	2,858,608
Total assets	**$ 3,128,117**	$ 3,016,220
LIABILITIES AND STOCKHOLDERS' EQUITY		
Long-term borrowings	**$ 246,895**	$ 148,806
Trust preferred capital notes	**141,829**	141,023
Other liabilities	**29,322**	17,901
Total liabilities	**418,046**	307,730
Total stockholders' equity	**2,710,071**	2,708,490
Total liabilities and stockholders' equity	**$ 3,128,117**	$ 3,016,220

PARENT COMPANY
CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021, 2020, and 2019
(Dollars in thousands)

	2021	2020	2019
Income:			
Interest and dividend income	**$ —**	$ —	$ 3
Dividends received from subsidiaries	**119,500**	97,880	160,033
Other operating income	**3,770**	1,338	1,484
Total income	**123,270**	99,218	161,520
Expenses:			
Interest expense	**13,210**	13,506	15,935
Other operating expenses	**17,471**	8,249	11,434
Total expenses	**30,681**	21,755	27,369
Income before income taxes and equity in undistributed net income from subsidiaries	**92,589**	77,463	134,151
Income tax benefit	**(12,626)**	(5,439)	(6,499)
Equity in undistributed net income from subsidiaries	**158,702**	75,326	52,878
Net income	**$ 263,917**	$ 158,228	$ 193,528
Comprehensive income	**$ 211,537**	$ 193,668	$ 239,376

PARENT COMPANY
CONDENSED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021, 2020, and 2019
(Dollars in thousands)

	2021	2020	2019
Operating activities:			
Net income	**$ 263,917**	$ 158,228	$ 193,528
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Equity in undistributed net income of subsidiaries	**(158,702)**	(75,326)	(52,878)
Depreciation of premises and equipment	**414**	439	424
Write-down of corporate facilities	**7,429**	—	—
Acquisition accounting amortization, net	**806**	735	662
Issuance of common stock for services	**567**	804	910
Net increase in other assets	**(10,726)**	(3,005)	(3,256)
Net increase in other liabilities	**12,944**	10,038	4,964
Net cash provided by operating activities	**116,649**	91,913	144,354
Investing activities:			
Net increase in premises and equipment	**—**	(306)	(355)
Increase in equity method investments	**(4,188)**	(2,353)	—
Cash paid in acquisitions	**—**	—	(12)
Cash received in acquisitions	**—**	—	21,553
Net cash provided by (used in) investing activities	**(4,188)**	(2,659)	21,186
Financing activities:			
Net decrease in short-term borrowings	**—**	—	(5,000)
Repayments of long-term borrowings	**(150,000)**	(8,500)	—
Net proceeds from issuance of long-term borrowings	**246,869**	—	—
Cash dividends paid - common stock	**(84,307)**	(78,860)	(78,345)
Cash dividends paid - preferred stock	**(11,868)**	(5,658)	—
Repurchase of common stock	**(125,000)**	(49,879)	(80,280)
Issuance of common stock	**3,141**	1,013	1,988
Issuance of preferred stock, net	**—**	166,356	—
Vesting of restricted stock, net of shares held for taxes	**(2,580)**	(2,261)	(2,301)
Net cash provided by (used in) financing activities	**(123,745)**	22,211	(163,938)
Increase (decrease) in cash and cash equivalents	**(11,284)**	111,465	1,602
Cash, cash equivalents and restricted cash at beginning of the period	**116,748**	5,283	3,681
Cash, cash equivalents and restricted cash at end of the period	**$ 105,464**	$ 116,748	$ 5,283
Supplemental schedule of noncash investing and financing activities			
Issuance of common stock in exchange for net assets in acquisition	**$ —**	$ —	$ 499,974
Transactions related to bank acquisition			
Assets acquired	**—**	—	509,075
Liabilities assumed	**—**	—	9,089

21. SUBSEQUENT EVENTS

The Company’s management has evaluated subsequent events through February 25, 2022, the date the financial statements were issued.

On January 28, 2022, the Company’s Board of Directors declared a quarterly dividend on the outstanding shares of its Series A preferred stock. The Series A preferred stock is represented by depositary shares, each representing a 1/400th ownership interest in a share of Series A preferred stock. The dividend of $171.88 per share (equivalent to $0.43 per outstanding depositary share) is payable on March 1, 2022 to preferred shareholders of record as of February 14, 2022.

The Company’s Board of Directors also declared a quarterly dividend of $0.28 per share of common stock. The common stock dividend is payable on February 25, 2022 to common shareholders of record as of February 11, 2022.

As discussed in Note 12 “Stockholders’ Equity,” the Company has an active Repurchase Program. Subsequent to the year ended December 31, 2021, as part of the Repurchase Program, approximately 276,000 shares (or $11.0 million) were repurchased between January 1, 2022 and February 23, 2022. As of February 23, 2022, the Company is authorized under the Repurchase Program to repurchase approximately $89.0 million of additional shares of the Company’s common stock.

ITEM 9. - CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. - CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures. The Company maintains "disclosure controls and procedures," as such term is defined in Rule 13a-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed in reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating its disclosure controls and procedures, management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based on their evaluation as of the end of the period covered by this Form 10-K, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the disclosure controls and procedures were effective at the reasonable assurance level.

Management's Report on Internal Control over Financial Reporting. Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) of the Exchange Act. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2021 using the criteria set forth in *Internal Control–Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (2013 framework). Based on the assessment using those criteria, management concluded that the internal control over financial reporting was effective on December 31, 2021.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2021 has been audited by Ernst & Young LLP, the independent registered public accounting firm that also audited the Company's consolidated financial statements included in this Form 10-K. Ernst & Young's report on the Company's internal control over financial reporting is included in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K.

Changes in Internal Control over Financial Reporting. There was no change in the internal control over financial reporting that occurred during the year ended December 31, 2021 that has materially affected, or is reasonably likely to materially affect, the internal control over financial reporting.

ITEM 9B. - OTHER INFORMATION.

Not applicable.

ITEM 9C. - DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. - DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Information regarding directors and the Company's audit committee and the audit committee financial experts is incorporated by reference from the Company's definitive proxy statement for the Company's 2022 Annual Meeting of Shareholders to be held May 3, 2022 (the "Proxy Statement"), under the captions "Proposal 1 - Election of Nine Directors," "Information About Directors Whose Terms Do Not Expire This Year," "Retiring Directors," and "Corporate Governance, Board Leadership, and Board Diversity." Information about the Company's executives required by this item is included in Part I, Item I of this Form 10-K under the caption "Information about our Executive Officers".

The Company has adopted a *Code of Business Conduct and Ethics* applicable to all employees and directors. The Company has also adopted a *Code of Ethics for Senior Financial Officers and Directors,* which is applicable to directors and senior officers who have financial responsibilities. Both of these codes may be found at *https://investors.atlanticunionbank.com/corporate-governance/governance-documents*. In addition, a copy of either of the codes may be obtained without charge by written request to the Company's Corporate Secretary.

ITEM 11. - EXECUTIVE COMPENSATION.

This information is incorporated by reference from the Proxy Statement under the captions "Corporate Governance, Board Leadership, and Board Diversity," "Named Executive Officers," "Ownership of Company Stock," "Compensation Discussion and Analysis," "Report of the Compensation Committee," "CEO Compensation Pay Ratio," "Executive Compensation," and "Director Compensation."

ITEM 12. - SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

Other than as set forth below, this information is incorporated by reference from the Proxy Statement under the caption "Ownership of Company Stock" and from Note 16 "Employee Benefits and Stock Based Compensation" contained in the "Notes to the Consolidated Financial Statements" contained in Item 8 "Financial Statements and Supplementary Data" of this Form 10-K.

The following table summarizes information relating to the Company's equity compensation plans, pursuant to which securities are authorized for issuance, as of December 31, 2021:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (A)[1]	Weighted-average exercise price of outstanding options, warrants and rights (B)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (A)) (C)
Equity compensation plans approved by security holders	**8,726**	**$ 14.40**	**1,855,601**
Total	**8,726**	**$ 14.40**	**1,855,601**

(1) *The number in column (A) does not include (i) a total of 200,404 shares of common stock that are issuable upon the exercise of stock options assumed in the merger with Access with a weighted average exercise price of $36.33 per share.*

ITEM 13. - CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

This information is incorporated by reference from the Proxy Statement under the captions “Corporate Governance, Board Leadership, and Board Diversity” and “Interest of Directors and Officers in Certain Transactions.”

ITEM 14. - PRINCIPAL ACCOUNTING FEES AND SERVICES.

This information is incorporated by reference from the Proxy Statement under the captions “Principal Accounting Fees” and “Audit Committee Pre-Approval Policy.”

PART IV

ITEM 15. – EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this Form 10-K:

(a)(1) Financial Statements

The following consolidated financial statements and reports of independent registered public accountants of the Company are in Part II, Item 8 of this Form 10-K:

- Reports of Independent Registered Public Accounting Firm (PCAOB ID 42);
- Consolidated Balance Sheets - December 31, 2021 and 2020;
- Consolidated Statements of Income - Years ended December 31, 2021, 2020, and 2019;
- Consolidated Statements of Comprehensive Income-Years ended December 31, 2021, 2020, and 2019;
- Consolidated Statements of Changes in Stockholder’s Equity - Years ended December 31, 2021, 2020, and 2019;
- Consolidated Statements of Cash Flows - Years ended December 31, 2021, 2020, and 2019; and
- Notes to Consolidated Financial Statements for the Years ended December 31, 2021, 2020, and 2019.

(a)(2) Financial Statement Schedules

All schedules are omitted since they are not required, are not applicable, or the required information is shown in the consolidated financial statements or notes thereto.

(a)(3) Exhibits

The following exhibits are filed as part of this Form 10-K and this list includes the Exhibit Index.

Exhibit No.	Description
2.1	Agreement and Plan of Reorganization, dated as of May 19, 2017, by and between Union Bankshares Corporation and Xenith Bankshares, Inc. (incorporated by reference to Exhibit 2.1 to Current Report on Form 8-K filed on May 23, 2017)
2.2	Agreement and Plan of Reorganization, dated as of October 4, 2018, as amended on December 7, 2018, by and between Union Bankshares Corporation and Access National Corporation (incorporated by reference to Annex A to Form S-4/A Registration Statement filed on December 10, 2018; SEC file no. 333-228455)
3.1	Amended and Restated Articles of Incorporation of Atlantic Union Bankshares Corporation, effective May 7, 2020 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed on May 7, 2020)
3.1.1	Articles of Amendment designating the 6.875% Perpetual Non-Cumulative Preferred Stock, Series A, effective June 9, 2020 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed on June 9, 2020)

3.2	Amended and Restated Bylaws of Atlantic Union Bankshares Corporation, effective as of December 5, 2019 (incorporated by reference to Exhibit 3.3 to Annual Report on Form 10-K filed on February 25, 2020)
4.1	Subordinated Indenture, dated as of December 5, 2016, between Union Bankshares Corporation and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on December 5, 2016)
4.2	Second Supplemental Indenture, dated as of December 8, 2021, between Atlantic Union Bankshares Corporation and U.S. Bank National Association, as Trustee (including the form of Note attached as an exhibit thereto) (incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed on December 8, 2021)
4.3	Form of 2.875% Fixed-to-Floating Rate Subordinated Note due 2031 (incorporated by reference to Exhibit A in Exhibit 4.2 to Current Report on Form 8-K filed on December 8, 2021)
4.4	Deposit Agreement, dated June 9, 2020, by and among Atlantic Union Bankshares Corporation, Computershare Inc. and Computershare Trust Company, N.A., and the holders from time to time of Depositary Receipts described therein (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on June 9, 2020)
4.5	Form of Depositary Receipt representing Depositary Shares (incorporated by reference to Exhibit A to Exhibit 4.1 to Current Report on Form 8-K filed on June 9, 2020)
	Certain instruments relating to long-term debt not being registered have been omitted in accordance with Item 601(b)(4)(iii) of Regulation S-K. The registrant will furnish a copy of any such instrument to the Securities and Exchange Commission upon its request.
4.6	Description of the Company's Capital Stock
10.1*	Amended and Restated Management Continuity Agreement between Atlantic Union Bankshares Corporation, Atlantic Union Bank and Robert M. Gorman, dated January 14, 2022
10.2*	Amended and Restated Employment Agreement by and between Atlantic Union Bankshares Corporation, Atlantic Union Bank and Robert M. Gorman, dated January 14, 2022
10.3*	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 filed on April 23, 2015; SEC file no. 333-203580)
10.3.1*	First Amendment, effective May 20, 2019, to the Atlantic Union Bankshares Corporation Stock and Incentive Plan (as amended and restated effective April 21, 2015) (incorporated by reference to Exhibit 10.01 to Quarterly Report on Form 10-Q filed on August 6, 2019)
10.4*	1995 Supplemental Compensation Agreement between Union Bank and Trust Company and Daniel I. Hansen, as amended, dated July 18, 1995 (incorporated by reference to Exhibit 10.15 to Annual Report on Form 10-K filed on February 27, 2015)
10.5*	Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Executives of Atlantic Union Bankshares Corporation, as restated effective January 1, 2018 (incorporated by reference to Exhibit 10.6 to Annual Report on Form 10-K filed on February 25, 2020)
10.5.1*	First Amendment to Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Executives of Atlantic Union Bankshares Corporation, as restated effective January 1, 2018
10.5.2*	162(m) Amendment to the Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Executives of Atlantic Union Bankshares Corporation, as restated effective January 1, 2018
10.5.3*	Amendment to the Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Executives of Atlantic Union Bankshares Corporation, effective September 1, 2019 (incorporated by reference to Exhibit 10.6.1 to Annual Report on Form 10-K filed on February 25, 2020)

10.5.4*	Adoption Agreement for the Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Executives of Atlantic Union Bankshares Corporation, effective January 1, 2020 (incorporated by reference to Exhibit 10.6.2 to Annual Report on Form 10-K filed on February 25, 2020)
10.6*	Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Directors of Atlantic Union Bankshares Corporation, as restated effective January 1, 2018 (incorporated by reference to Exhibit 10.7 to Annual Report on Form 10-K filed on February 25, 2020)
10.6.1*	First Amendment to the Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Directors of Atlantic Union Bankshares Corporation, as restated effective January 1, 2018
10.6.2*	Amendment to the Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Directors of Atlantic Union Bankshares Corporation, effective September 1, 2019 (incorporated by reference to Exhibit 10.7.1 to Annual Report on Form 10-K filed on February 25, 2020)
10.6.3*	Adoption Agreement for the Restated Virginia Bankers Association Non-Qualified Deferred Compensation Plan for Directors of Atlantic Union Bankshares Corporation, effective January 1, 2020 (incorporated by reference to Exhibit 10.7.2 to Annual Report on Form 10-K filed on February 25, 2020)
10.7*	Form of Time-Based Restricted Stock Agreement under Union Bankshares Corporation Stock and Incentive Plan (incorporated by reference to Exhibit 10.23 to Current Report on Form 8-K filed on April 27, 2015)
10.8*	Atlantic Union Bankshares Corporation Executive Severance Plan (as amended and restated effective November 18, 2021)
10.9*	Amended and Restated Employment Agreement by and between Atlantic Union Bankshares Corporation, Atlantic Union Bank and John C. Asbury, dated January 14, 2022
10.10*	Amended and Restated Management Continuity Agreement by and between Atlantic Union Bankshares Corporation, Atlantic Union Bank and John C. Asbury, dated January 14, 2022
10.11*	Schedule of Atlantic Union Bankshares Corporation Non-Employee Directors' Annual Compensation (incorporated by reference to Exhibit 10.24 to Quarterly Report on Form 10-Q filed on November 4, 2021)
10.12*	Management Incentive Plan (incorporated by reference to Exhibit 10.12 to Annual Report on Form 10-K filed on February 26, 2021)
10.13*	Atlantic Union Bankshares Corporation Executive Stock Ownership Policy, adopted December 10, 2020 (incorporated by reference to Exhibit 10.13 to Annual Report on Form 10-K filed on February 26, 2021)
10.14*	Form of Performance Share Unit Agreement under Union Bankshares Corporation Stock and Incentive Plan (for awards on or after February 15, 2018) (incorporated by reference to Exhibit 10.35 to Annual Report on Form 10-K filed on February 27, 2018)
10.15*	Form of Time-Based Restricted Stock Agreement under Union Bankshares Corporation Stock and Incentive Plan (for awards on or after February 15, 2018) (incorporated by reference to Exhibit 10.36 to Annual Report on Form 10-K filed on February 27, 2018)
10.16*	Access National Corporation 2017 Equity Compensation Plan (incorporated by reference to Exhibit 4.2 to Post-Effective Amendment No. 1 on Form S-8 to Form S-4 Registration Statement filed on February 1, 2019; SEC file no. 333-228455)
10.17*	Access National Corporation 2009 Stock Option Plan (incorporated by reference to Exhibit 4.3 to Post-Effective Amendment No. 1 on Form S-8 to Form S-4 Registration Statement filed on February 1, 2019; SEC file no. 333-228455)
10.18*	Form of Time-Based Restricted Stock Agreement under Atlantic Union Bankshares Corporation Stock and Incentive Plan (for awards on or after February 14, 2020) (incorporated by reference to Exhibit 10.22 to Annual Report on Form 10-K filed on February 25, 2020)

10.19*	Form of Performance Share Unit Agreement under Atlantic Union Bankshares Corporation Stock and Incentive Plan (for awards on or after February 14, 2020) (incorporated by reference to Exhibit 10.23 to Annual Report on Form 10-K filed on February 25, 2020)
10.20	Underwriting Agreement, dated June 2, 2020, by and among Atlantic Union Bankshares Corporation, Morgan Stanley & Co. LLC, BofA Securities, Inc., Keefe, Bruyette & Woods, Inc., Raymond James & Associates, Inc., RBC Capital Markets, LLC, UBS Securities LLC and Piper Sandler & Co. (incorporated by reference to Exhibit 1.1 to Current Report on Form 8-K filed on June 3, 2020)
10.21*	Atlantic Union Bankshares Corporation Non-Employee Director Stock Ownership Policy, adopted October 29, 2020 (incorporated by reference to Exhibit 10.21 to Annual Report on Form 10-K filed on February 26, 2021)
10.22*	Form of Performance Share Unit Agreement under Atlantic Union Bankshares Corporation Stock and Incentive Plan (for awards on or after February 12, 2021) (incorporated by reference to Exhibit 10.22 to Annual Report on Form 10-K filed on February 26, 2021)
10.23*	Atlantic Union Bankshares Corporation Stock and Incentive Plan, as amended and restated May 4, 2021 (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on May 6, 2021)
10.24	Underwriting Agreement, dated December 1, 2021 between Atlantic Union Bankshares Corporation and Keefe, Bruyette & Woods, Inc. (incorporated by reference to Exhibit 1.1 to Current Report on Form 8-K filed on December 2, 2021)
10.25*	Employment Agreement by and between Atlantic Union Bankshares Corporation, Atlantic Union Bank and Maria Tedesco, dated January 14, 2022 (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on January 18, 2022)
10.26*	Management Continuity Agreement by and between Atlantic Union Bankshares Corporation, Atlantic Union Bank and Maria Tedesco, dated January 14, 2022 (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed on January 18, 2022)
10.27*	Form of Performance Share Unit Agreement under Atlantic Union Bankshares Corporation Stock and Incentive Plan (for awards on or after February 24, 2022)
10.28*	Form of Time-Based Restricted Stock Agreement under Atlantic Union Bankshares Corporation Stock and Incentive Plan (for awards on or after February 24, 2022)
21.1	Subsidiaries of Atlantic Union Bankshares Corporation
23.1	Consent of Ernst & Young LLP
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.0	Interactive data files formatted in Inline eXtensible Business Reporting Language - pursuant to Rule 405 of Regulation S-T: (i) the Consolidated Balance Sheets as of December 31, 2021 and 2020, (ii) the Consolidated Statements of Income for the years ended December 31, 2021, 2020, and 2019, (iii) the Consolidated Statements of Comprehensive Income for the years ended December 31, 2021, 2020, and 2019, (iv) the Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2021, 2020, and 2019, (v) the Consolidated Statements of Cash Flows for the years ended December 31, 2021, 2020, and 2019 and (vi) the Notes to the Consolidated Financial Statements for the years ended December 31, 2021, 2020, and 2019.
104.0	The cover page from the Company's Annual Report on Form 10-K for the year ended December 31, 2021, formatted in Inline eXtensible Business Reporting Language (included with Exhibit 101).

* Indicates management contract.

ITEM 16. - FORM 10-K SUMMARY.

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Atlantic Union Bankshares Corporation

By: /s/ John C. Asbury Date: February 25, 2022
John C. Asbury
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 25, 2022.

Signature	Title
/s/ John C. Asbury John C. Asbury	Director, President, and Chief Executive Officer (principal executive officer)
/s/ Patrick E. Corbin Patrick E. Corbin	Director
/s/ Frank Russell Ellett Frank Russell Ellett	Director
/s/ Gregory L. Fisher Gregory L. Fisher	Director
/s/ Robert M. Gorman Robert M. Gorman	Executive Vice President and Chief Financial Officer (principal financial and accounting officer)
/s/ Daniel I. Hansen Daniel I. Hansen	Director
/s/ Jan S. Hoover Jan S. Hoover	Director
/s/ Patrick J. McCann Patrick J. McCann	Vice Chairman of the Board of Directors
/s/ Thomas P. Rohman Thomas P. Rohman	Director
/s/ Linda V. Schreiner Linda V. Schreiner	Director
/s/ Thomas G. Snead, Jr. Thomas G. Snead, Jr.	Director
/s/ Ronald L. Tillett Ronald L. Tillett	Chairman of the Board of Directors
/s/ Keith L. Wampler Keith L. Wampler	Director
/s/ F. Blair Wimbush F. Blair Wimbush	Director

Exhibit 4.6

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

As of the filing date of the Annual Report on Form 10-K (the "Form 10-K") of which this exhibit (this "Exhibit") is a part, Atlantic Union Bankshares Corporation (the "Company") had the following outstanding securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): (i) common stock, $1.33 par value per share (the "Common Stock"), and (ii) depositary shares (the "Depositary Shares"), each representing a 1/400th ownership interest in a share of the Company's 6.875% Perpetual Non-Cumulative Preferred Stock, Series A (the "Series A Preferred Stock").

Description of Common Stock

The following description of the material features of the Common Stock does not purport to be complete and is in all respects subject to, and qualified in its entirety by reference to, the applicable provisions of Virginia law and by the Company's Amended and Restated Articles of Incorporation, effective May 7, 2020, as amended by Articles of Amendment effective June 9, 2020 (the "Articles"), and the Company's Amended and Restated Bylaws, effective December 5, 2019 (the "Bylaws"). The Articles and Bylaws are included as exhibits to the Form 10-K.

General

The Company is authorized to issue 200,000,000 shares of Common Stock. Each share of Common Stock has the same relative rights as, and is identical in all respects to, each other share of Common Stock. All of the outstanding shares of Common Stock are fully paid and nonassessable.

Dividends

The Company's shareholders are entitled to receive dividends or distributions that the Company's Board of Directors (the "Board") may declare out of funds legally available for those payments. The payment of distributions by the Company is subject to the restrictions of Virginia law applicable to the declaration of distributions by a corporation. A Virginia corporation generally may not authorize and make distributions if, after giving effect to the distribution, it would be unable to meet its debts as they become due in the usual course of business or if the corporation's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if it were dissolved at that time, to satisfy the preferential rights of shareholders whose rights are superior to the rights of those receiving the distribution. In addition, the payment of distributions to shareholders is subject to any prior rights of holders of outstanding preferred stock.

As a bank holding company, the Company's ability to pay dividends is affected by the ability of Atlantic Union Bank, its bank subsidiary, to pay dividends to the Company. The ability of the Company's bank subsidiary, as well as the Company, to pay dividends in the future is, and could be further, influenced by bank regulatory requirements and capital guidelines.

Liquidation Rights

In the event of any liquidation, dissolution or winding up of the Company, the holders of shares of the Common Stock will be entitled to receive, after payment of all debts and liabilities of the Company and after satisfaction of all liquidation preferences applicable to any preferred stock, all remaining assets of the Company available for distribution in cash or in kind.

Voting Rights

Holders of the Common Stock are entitled to one vote per share, and in general, a majority of votes cast with respect to a matter is sufficient to authorize action upon routine matters. Directors are elected by a majority of the votes cast in uncontested director elections. The Company maintains a "plurality vote" standard in contested director elections (i.e., where the number of nominees exceeds the number of directors to be elected). Holders of the Common Stock are not entitled to cumulative voting rights in the election of directors.

Directors and Classes of Directors

The Board is divided into three classes, apportioned as evenly as possible, with directors serving staggered three-year terms. Any newly created directorships or any decrease in directorships are apportioned among the classes as evenly as possible. Currently, the Board consists of 18 directors. Under the Articles, directors may be removed only for cause upon the affirmative vote of at least two-thirds of the outstanding shares entitled to vote.

No Preemptive Rights; Redemption and Assessment

Holders of shares of the Common Stock will not be entitled to preemptive rights with respect to any shares that may be issued. The Common Stock is not subject to redemption or any sinking fund and the outstanding shares are fully paid and nonassessable.

Securities Are Not Insured by the FDIC

Investments in the Common Stock or any of the Company's equity or debt securities will not qualify as deposits or savings accounts and will not be insured or guaranteed by the FDIC or any other governmental agency and are subject to investment risk, including the possible loss of principal.

Certain Anti-Takeover Provisions of the Company's Articles and Bylaws and Virginia Law

General. The Articles and Bylaws and the Virginia Stock Corporation Act (the "Virginia SCA") contain certain provisions designed to enhance the ability of the Board to deal with attempts to

acquire control of the Company. These provisions, and the ability to set the voting rights, preferences and other terms of any series of preferred stock that may be issued, may be deemed to have an anti-takeover effect and may discourage takeovers (which certain shareholders may deem to be in their best interest). To the extent that such takeover attempts are discouraged, temporary fluctuations in the market price of the Common Stock resulting from actual or rumored takeover attempts may be inhibited. These provisions also could discourage or make more difficult a merger, tender offer or proxy contest, even though such transaction may be favorable to the interests of shareholders, and could potentially adversely affect the market price of the Common Stock.

The following briefly summarizes protective provisions that are contained in the Articles and Bylaws and provided by the Virginia SCA. This summary is necessarily general and is not intended to be a complete description of all the features and consequences of those provisions, and is qualified in its entirety by reference to the Articles and Bylaws and the statutory provisions contained in the Virginia SCA.

Supermajority Provision. The Virginia SCA provides that, unless a corporation's articles of incorporation provide for a greater or lesser vote, certain significant corporate actions must be approved by the affirmative vote of more than two-thirds of the votes entitled to be cast on the matter. Certain corporate actions requiring a more than two-thirds vote include:

- adoption of plans of merger or share exchange;
- sales of all or substantially all of a corporation's assets other than in the ordinary course of business; and
- adoption of plans of dissolution.

The Virginia SCA provides that a corporation's articles may either increase the vote required to approve those actions or may decrease the vote required to not less than a majority of all the votes cast by each voting group entitled to vote at a meeting at which a quorum of the voting group exists.

The Virginia SCA provides that a corporation's articles may either increase the vote required to approve those actions or may decrease the vote required to not less than a majority of all the votes cast by each voting group entitled to vote at a meeting at which a quorum of the voting group exists.

The Articles state that the actions set out above must be approved by a majority of all votes entitled to be cast on the transaction by each voting group entitled to vote at a meeting at which a quorum of the voting group is present, provided that the transaction has been approved and recommended by at least two-thirds of the directors in office at the time of such approval and recommendation. If the transaction is not so approved and recommended, then the transaction must be approved by the vote of 80% or more of all votes entitled to be cast on such transactions by each voting group entitled to vote on the transaction.

The provisions of the Articles and the Virginia SCA could tend to make the acquisition of the Company more difficult to accomplish without the cooperation or favorable recommendation of the Board.

Staggered Board Terms. The Articles provide that the Board be divided into three classes as nearly equal in number as possible, with one class to be elected annually for a term of three years and until their successors are elected and qualified. Vacancies occurring in the Board by reason of an increase in the number of directors may be filled by the Board, and any directors so chosen shall hold office until the next election of directors by the shareholders. Any other vacancy in the Board, whether by reason of death, resignation, removal or otherwise, may be filled by the remaining directors and any directors so chosen shall hold office until the next election of the class for which such directors shall have been chosen and until their successors are elected and qualified. Pursuant to the Articles, directors may be removed only for cause and only by a vote of the holders of two-thirds of the outstanding shares entitled to vote.

State Anti-Takeover Statutes. Virginia has two anti-takeover statutes in force, the Affiliated Transactions Statute and the Control Share Acquisitions Statute.

The Affiliated Transaction Statute of the Virginia SCA contains provisions governing "affiliated transactions." These include various transactions such as mergers, share exchanges, sales, leases, or other dispositions of material assets, issuances of securities, dissolutions, and similar transactions with an "interested shareholder." An interested shareholder is generally the beneficial owner of more than 10% of any class of a corporation's outstanding voting shares. During the three years following the date a shareholder becomes an interested shareholder, any affiliated transaction with the interested shareholder must be approved by both a majority (but not less than two) of the "disinterested directors" (those directors who were directors before the interested shareholder became an interested shareholder or who were recommended for election by a majority of the disinterested directors) and by the affirmative vote of the holders of two-thirds of the corporation's voting shares other than shares beneficially owned by the interested shareholder. These requirements do not apply to affiliated transactions if, among other things, a majority of the disinterested directors approve the interested shareholder's acquisition of voting shares making such a person an interested shareholder before such acquisition. Beginning three years after the shareholder becomes an interested shareholder, the corporation may engage in an affiliated transaction with the interested shareholder if:

- the transaction is approved by the holders of two-thirds of the corporation's voting shares, other than shares beneficially owned by the interested shareholder;
- the affiliated transaction has been approved by a majority of the disinterested directors; or
- subject to certain additional requirements, in the affiliated transaction the holders of each class or series of voting shares will receive consideration meeting specified fair price and other requirements designed to ensure that all shareholders receive fair and equivalent consideration, regardless of when they tendered their shares.

Under the Virginia SCA's Control Share Acquisitions Statute, voting rights of shares of stock of a Virginia corporation acquired by an acquiring person or other entity at ownership levels of

20%, 33 1/3%, and 50% of the outstanding shares may, under certain circumstances, be denied. The voting rights may be denied:

- unless conferred by a special shareholder vote of a majority of the outstanding shares entitled to vote for directors, other than shares held by the acquiring person and officers and directors of the corporation; or

- among other exceptions, such acquisition of shares is made pursuant to a merger agreement with the corporation or the corporation's articles of incorporation or bylaws permit the acquisition of such shares before the acquiring person's acquisition thereof.

If authorized in the corporation's articles of incorporation or bylaws, the statute also permits the corporation to redeem the acquired shares at the average per share price paid for such shares if the voting rights are not approved or if the acquiring person does not file a "control share acquisition statement" with the corporation within 60 days of the last acquisition of such shares. If voting rights are approved for control shares comprising more than 50% of the corporation's outstanding stock, objecting shareholders may have the right to have their shares repurchased by the corporation for "fair value."

Corporations may provide in their articles of incorporation or bylaws to opt-out of the Affiliated Transactions Statute or the Control Share Acquisitions Statute. The Company has not opted-out of the Affiliated Transactions Statute or the Control Share Acquisitions Statute, and the Bylaws provide that it may, but is not required to, redeem shares of the Common Stock which have been the subject of a "control share acquisition" as defined in the Control Share Acquisitions Statute.

Authorized Preferred Stock. As described below, the Articles authorize the issuance of preferred stock and the Board may, subject to application of Virginia law and federal banking regulations, authorize the issuance of preferred stock at such times, for such purposes and for such consideration as the Board may deem advisable without further shareholder approval. The issuance of preferred stock under certain circumstances may have the effect of discouraging an attempt by a third party to acquire control of the Company by, for example, authorizing the issuance of a series of preferred stock with rights and preferences designed to impede the proposed transaction.

Liability and Indemnification of Officers and Directors. The Virginia SCA provides that in any proceeding brought by or in the right of a corporation or brought by or on behalf of shareholders of the corporation, the damages assessed against an officer or director arising out of a single transaction, occurrence or course of conduct may not exceed the lesser of (a) the monetary amount, including the elimination of liability, specified in the articles of incorporation or, if approved by the shareholders, in the bylaws as a limitation on or elimination of the liability of the officer or director, or (b) the greater of (i) $100,000 or (ii) the amount of cash compensation received by the officer or director from the corporation during the twelve months immediately preceding the act or omission for which liability was imposed. The liability of an officer or director is not limited under the Virginia SCA or a corporation's articles of incorporation and bylaws if the officer or director engaged in willful misconduct or a knowing violation of the criminal law or of any federal or state securities law.

The Articles provide that, to the full extent that the Virginia SCA permits the limitation or elimination of liability of directors or officers, a director or officer of the Company is not liable to the Company or its shareholders for monetary damages.

A Virginia corporation generally is authorized to indemnify its directors and officers in civil and criminal actions if they acted in good faith and believed their conduct to be in the best interests of the corporation and, in the case of criminal actions, had no reasonable cause to believe that the conduct was unlawful. The Virginia SCA requires such indemnification when a director or, unless limited by a corporation's articles of incorporation, officer entirely prevails in the defense of any proceeding to which he or she was a party because he or she is or was a director or officer of the corporation, and further provides that a corporation may make any other or further indemnity (including indemnity to a proceeding by or in the right of the corporation), and may make additional provision for advances and reimbursement of expenses, if authorized by its articles of incorporation or shareholder-adopted bylaw or resolution, except an indemnity against willful misconduct or a knowing violation of the criminal law. The Virginia SCA establishes a statutory limit on liability of officers and directors of a corporation for damages assessed against them in a suit brought by or in the right of the corporation or brought by or on behalf of shareholders of the corporation and authorizes a corporation to specify a lower monetary limit on liability (including the elimination of liability for monetary damages) in the corporation's articles of incorporation or bylaws; however, the liability of an officer or director will not be limited if such officer or director engaged in willful misconduct or a knowing violation of the criminal law or of any federal or state securities law.

The Articles provide that, to the full extent permitted by the Virginia SCA, the Company is required to indemnify a director or officer against liabilities, fines, penalties and claims imposed upon or asserted against him or her by reason of having been a director or officer and against all expenses reasonably incurred by him or her in connection therewith, except in relation to matters as to which he or she is liable by reason of his or her willful misconduct or knowing violation of criminal law.

Dissenters' and Appraisal Rights. The Virginia SCA provides that appraisal or dissenters' rights are not available to holders of shares of any class or series of shares of a Virginia corporation in a merger when the stock is either listed on a national securities exchange, such as the NASDAQ Global Select Market, or is held by at least 2,000 shareholders of record and has a public float of at least $20 million. Despite this exception, appraisal or dissenters' rights will be available to holders of common stock of a Virginia corporation in a merger if:

- the articles of incorporation provide for appraisal or dissenters' rights regardless of an available exception (the Articles do not authorize such special appraisal or dissenters' rights);

- in the case of a merger or share exchange, shareholders are required by the terms of the merger to accept anything for their shares other than cash, shares of the surviving or acquiring corporation, or shares of another corporation that are either listed on a national

securities exchange or held by more than 2,000 shareholders of record having a public float of at least $20 million, or a combination of cash or such shares; or

- the merger is an "affiliated transaction," as described under "– State Anti-Takeover Statutes" above, and it has not been approved by a majority of the disinterested directors.

The Common Stock is listed on the NASDAQ Global Select Market. Therefore, unless one of the exceptions outlined above applies to a given transaction, holders of the Common Stock are not entitled to appraisal or dissenters' rights.

Amendments to the Company's Articles of Incorporation and Bylaws. The Virginia SCA generally requires that in order for an amendment to the articles of incorporation to be adopted it must be approved by each voting group entitled to vote on the proposed amendment by more than two-thirds of all the votes entitled to be cast by that voting group, unless the Virginia SCA otherwise requires a greater vote, or the articles of incorporation provide for a greater or lesser vote, or a vote by separate voting groups. However, under the Virginia SCA, no amendment to the articles of incorporation may be approved by a vote that is less than a majority of all the votes cast on the amendment by each voting group entitled to vote at a meeting at which a quorum of the voting group exists.

Under the Virginia SCA, unless another process is set forth in the articles of incorporation or bylaws, a majority of the directors (except to the extent authority to amend the bylaws is reserved by the Virginia SCA), or, if a quorum exists at a meeting of shareholders, a majority of the shareholders present and entitled to vote may adopt, amend or repeal the bylaws.

The Articles state that an amendment to the articles of incorporation must be approved by a majority of all the votes entitled to be cast on the amendment by each voting group entitled to vote at a meeting at which a quorum of the voting group is present, provided that the amendment has been approved and recommended by at least two-thirds of the directors in office at the time of such approval and recommendation. If the amendment is not so approved and recommended by two-thirds of the directors in office, then the amendment must be approved by the affirmative vote of 80% or more of all of the votes entitled to be cast on such amendment by each voting group entitled to vote.

The Bylaws may be amended, altered, or repealed by the Board any time. The Company's shareholders have the power to rescind, alter, amend, or repeal any bylaws and to enact bylaws which, if so expressed by the shareholders, may not be rescinded, altered, amended, or repealed by the Board.

Increasing the Number of Directors. Under Virginia law, a board of directors may amend or repeal bylaws unless its company's articles of incorporation or other provisions of Virginia law reserve such power exclusively in the shareholders or the shareholders, in adopting or amending particular bylaws, expressly prohibit the board of directors from amending or repealing that bylaw. The Articles do not reserve the power to amend the Bylaws to increase or decrease the number of directors exclusively to the shareholders and no bylaw, and no amendment thereto, expressly prohibits the Board from amending the Bylaws to increase or decrease the number of

directors. Any newly created directorships resulting from an increase in the number of authorized directors shall be filled by the affirmative vote of a majority of the directors then in office. As a result, if faced with an attempt to take control of the Board, the Board may increase the size of the Board and install directors opposed to the hostile takeover attempt.

Inability of Shareholders to Call Special Meetings. Pursuant to the Bylaws, special meetings of shareholders may be called only by the Chairman or Vice Chairman of the Board, if any, the Chief Executive Officer, the President, the Board or the Board's Executive Committee. As a result, shareholders are not able to act on matters other than at annual shareholders meetings unless they are able to persuade the Chief Executive Officer, President, the Chairman or the Vice Chairman of the Board to call a special meeting.

Advance Notification Requirements. The Bylaws require a shareholder who desires to nominate a candidate for election to the Board or to raise new business at an annual shareholders meeting to provide the Company advance notice not later than the close of business on the ninetieth day, nor earlier than the close of business on the one-hundred twentieth day, prior to the first anniversary of the commencement of the preceding year's annual meeting of shareholders, provided, however, that in the event that the date of the annual meeting is more than thirty days before or more than seventy days after such anniversary date, notice by such shareholder must be so delivered not earlier than the close of business on the one-hundred twentieth day prior to such annual meeting and not later than the close of business on the later of the ninetieth day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made by the Company. In no event shall the public announcement of an adjournment or postponement of an annual meeting of shareholders commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above. The Bylaws further condition the presentation of shareholder nominations for director or proposals for business on compliance with a number of conditions. In addition, a shareholder must also comply with applicable rules of the Securities and Exchange Commission in order for his or her shareholder proposal to be included in the Company's proxy statement relating to the annual meeting.

Listing of Common Stock

The Common Stock is listed on the NASDAQ Global Select Market under the symbol "AUB."

Description of Preferred Stock

The following description of the material features of the Preferred Stock does not purport to be complete and is in all respects subject to, and qualified in its entirety by reference to, the applicable provisions of Virginia law and by the Articles and the Bylaws.

General

The Series A Preferred Stock is a single series of the Preferred Stock. Shares of the Series A Preferred Stock are fully paid and nonassessable. The depositary is the sole holder of shares of the Series A Preferred Stock. The holders of Depositary Shares are required to exercise their

proportional rights in the Series A Preferred Stock through the depositary, as described below under "Description of Depositary Shares."

Shares of the Series A Preferred Stock rank senior to the Common Stock and at least equally with each other series of preferred stock the Company has or may issue if provided for in the articles of amendment relating to such preferred stock or otherwise (except for any senior stock that may be issued with the requisite consent of the holders of the Series A Preferred Stock and all other parity stock, if any), with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding up of the Company. See "— Other Preferred Stock" below. In addition, the Company will generally be able to pay dividends and distributions upon liquidation, dissolution or winding up only out of lawfully available assets for such payment (after satisfaction of all claims for indebtedness and other non-equity claims). Further, the Series A Preferred Stock may be fully subordinated to interests held by the U.S. government in the event that the Company enters into a receivership, insolvency, liquidation, or similar proceeding, including a proceeding under the Orderly Liquidation Authority of the Dodd-Frank Act.

The Series A Preferred Stock is not convertible into, or exchangeable for, shares of any other class or series of stock or other securities of the Company. The Series A Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company to redeem or repurchase the Series A Preferred Stock.

The Company reserves the right to reopen the Series A Preferred Stock and issue additional shares of the Series A Preferred Stock either through public or private sales at any time and from time to time that may or may not involve additional Depositary Shares. The additional shares would form a single series with the Series A Preferred Stock already outstanding. In addition, the Company may from time to time, without notice to or consent of holders of the Series A Preferred Stock or the Depositary Shares, issue additional shares of preferred stock that rank equally with or junior to the Series A Preferred Stock.

Dividends

General

Dividends on the Series A Preferred Stock are not cumulative. If the Board or a duly authorized committee of the Board does not declare a dividend on the Series A Preferred Stock in respect of a dividend period, then no dividend shall be deemed to have accrued for such dividend period, be payable on the applicable dividend payment date, or be cumulative, and the Company will have no obligation to pay any dividend for that dividend period, whether or not the Board or a duly authorized committee of the Board declares a dividend on the Series A Preferred Stock for any subsequent dividend period. A dividend period is the period from and including a dividend payment date to but excluding the next dividend payment date.

Holders of Series A Preferred Stock are entitled to receive, when, as, and if declared by the Board or a duly authorized committee of the Board, out of assets legally available for the payment of dividends under Virginia law, non-cumulative cash dividends based on the liquidation preference of the Series A Preferred Stock at a rate equal to 6.875% per annum for

each quarterly dividend period from the original issue date of the Depositary Shares through the redemption date of the Series A Preferred Stock, if any. In the event that the Company issues additional shares of Series A Preferred Stock after the original issue date, dividends on such shares will accrue from the original issue date of such additional shares.

If declared by the Board or a duly authorized committee of the Board, the Company will pay dividends on the Series A Preferred Stock quarterly in arrears, on March 1, June 1, September 1 and December 1 of each year (each such date, a "dividend payment date"). If any date on which dividends would otherwise be payable is not a business day, then the dividend payment date will be the next business day without any adjustment to the amount of dividends paid. A business day means any weekday that is not a legal holiday in New York, New York, and is not a day on which banking institutions in New York, New York, are closed.

Dividends are payable to holders of record of Series A Preferred Stock as they appear on the Company's stock register on the applicable record date, which shall be the 15th calendar day before the applicable dividend payment date, or such other record date, not exceeding 30 days before the applicable payment date, as shall be fixed by the Board or a duly authorized committee of the Board. The corresponding record dates for the Depositary Shares will be the same as the record dates for the Series A Preferred Stock.

A dividend period is the period from and including a dividend payment date to but excluding the next dividend payment date. Dividends payable on the Series A Preferred Stock will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Dollar amounts resulting from that calculation will be rounded to the nearest cent, with one-half cent being rounded upward. Dividends on the Series A Preferred Stock will cease to accrue on the redemption date, if any, as described below under "— Redemption," unless the Company defaults in the payment of the redemption price of the shares of the Series A Preferred Stock called for redemption.

Additional Information

The Company's ability to pay dividends on the Series A Preferred Stock depends on the ability its subsidiaries, including Atlantic Union Bank, to pay dividends to the Company. The ability of the Company and its subsidiaries to pay dividends in the future is subject to bank regulatory requirements and capital guidelines and policies established by the Virginia Bureau of Financial Institutions and the Federal Reserve System (the "Federal Reserve").

So long as any share of Series A Preferred Stock remains outstanding, (1) no dividend shall be declared or paid or set aside for payment and no distribution shall be declared or made or set aside for payment on any junior stock (other than (i) a dividend payable solely in junior stock or (ii) any dividend in connection with the implementation of a shareholders' rights plan, or the redemption or repurchase of any rights under any such plan), (2) no shares of junior stock shall be repurchased, redeemed or otherwise acquired for consideration by the Company, directly or indirectly (other than (i) as a result of a reclassification of junior stock for or into other junior stock, (ii) the exchange or conversion of one share of junior stock for or into another share of

junior stock, (iii) through the use of the proceeds of a substantially contemporaneous sale of other shares of junior stock, (iv) purchases, redemptions or other acquisitions of shares of junior stock in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or consultants, (v) purchases of shares of junior stock pursuant to a contractually binding requirement to buy junior stock existing prior to the preceding dividend period, including under a contractually binding stock repurchase plan, (vi) the purchase of fractional interests in shares of junior stock pursuant to the conversion or exchange provisions of such stock or the security being converted or exchanged, (vii) purchases or other acquisitions by any of the Company's broker-dealer subsidiaries solely for the purpose of market making, stabilization or customer facilitation transactions in junior stock in the ordinary course of business, (viii) purchases by any of the Company's broker-dealer subsidiaries of the Company's capital stock for resale pursuant to an offering by the Company of such capital stock underwritten by such broker-dealer subsidiary, or (ix) the acquisition by the Company or any of its subsidiaries of record ownership in junior stock for the beneficial ownership of any other persons (other than for the beneficial ownership by the Company or any of its subsidiaries), including as trustees or custodians), nor shall any monies be paid to or made available for a sinking fund for the redemption of any such securities by the Company and (3) no shares of parity stock, if any, shall be repurchased, redeemed or otherwise acquired for consideration by the Company, directly or indirectly, during a dividend period (other than (i) pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series A Preferred Stock and such parity stock, if any, (ii) as a result of a reclassification of parity stock for or into other parity stock, (iii) the exchange or conversion of parity stock for or into other parity stock or junior stock, (iv) through the use of the proceeds of a substantially contemporaneous sale of other shares of parity stock, (v) purchases of shares of parity stock pursuant to a contractually binding requirement to buy parity stock existing prior to the preceding dividend period, including under a contractually binding stock repurchase plan, (vi) the purchase of fractional interests in shares of parity stock pursuant to the conversion or exchange provisions of such stock or the security being converted or exchanged, (vii) purchases or other acquisitions by any of the Company's broker-dealer subsidiaries solely for the purpose of market making, stabilization or customer facilitation transactions in parity stock in the ordinary course of business, (viii) purchases by any of the Company's broker-dealer subsidiaries of the Company's capital stock for resale pursuant to an offering by the Company of such capital stock underwritten by such broker-dealer subsidiary, or (ix) the acquisition by the Company or any of its subsidiaries of record ownership in parity stock for the beneficial ownership of any other persons (other than for the beneficial ownership by the Company or any of its subsidiaries), including as trustees or custodians), nor shall any monies be paid to or made available for a sinking fund for the redemption of any such securities by the Company unless, in each case, the full dividends for the preceding dividend period on all outstanding shares of Series A Preferred Stock have been paid in full or declared and a sum sufficient for the payment thereof has been set aside for payment.

The Company will not declare or pay or set apart funds for the payment of dividends on any parity stock, unless the Company has paid or set apart funds for the payment of dividends on the Series A Preferred Stock. When dividends are not paid in full upon the shares of Series A Preferred Stock and parity stock, if any, all dividends declared upon shares of Series A Preferred Stock and parity stock, if any, will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the

then-current dividend period per share on the Series A Preferred Stock, and accrued dividends, including any accumulations, if any, on parity stock, if any, bear to each other.

As used in this Exhibit, “junior stock” means the Common Stock and any other class or series of stock of the Company hereafter authorized over which the Series A Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Company. As of the filing date of the Form 10-K, the Common Stock is the only series of junior stock outstanding.

As used in this Exhibit, “parity stock” means any other class or series of stock of the Company that ranks on a parity with the Series A Preferred Stock with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding up of the Company. As of the filing date of the Form 10-K, there are no series of parity stock outstanding. See “— Other Preferred Stock” below.

As used in this Exhibit, “senior stock” means any other class or series of stock of the Company ranking senior to the Series A Preferred Stock with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding up of the Company. As of the filing date of the Form 10-K, there are no series of senior stock outstanding. See “— Other Preferred Stock” below.

Subject to the considerations described above, and not otherwise, dividends (payable in cash, stock or otherwise), as may be determined by the Board or a duly authorized committee of the Board, may be declared and paid on the Common Stock and any other stock ranking equally with or junior to the Series A Preferred Stock from time to time out of any assets legally available for such payment, and the holders of Series A Preferred Stock shall not be entitled to participate in any such dividend.

Dividends on the Series A Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause the Company to fail to comply with applicable laws and regulations, including applicable capital adequacy guidelines.

Redemption

Optional Redemption

The Series A Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. The Company may redeem the Series A Preferred Stock at its option, in whole or in part, from time to time, on any dividend payment date on or after September 1, 2025, at a redemption price equal to $10,000 per share (equivalent to $25 per Depositary Share), plus any declared and unpaid dividends on the shares of Series A Preferred Stock called for redemption up to the redemption date. Neither the holders of Series A Preferred Stock nor holders of Depositary Shares will have the right to require the redemption or repurchase of the Series A Preferred Stock.

Redemption Following a Regulatory Capital Treatment Event

The Company may redeem the Series A Preferred Stock in whole but not in part at any time within 90 days following a regulatory capital treatment event, in whole but not in part, at a redemption price equal to $10,000 per share (equivalent to $25 per Depositary Share), plus any declared and unpaid dividends on the shares of Series A Preferred Stock called for redemption up to the redemption date. A "regulatory capital treatment event" means the good faith determination by the Company that, as a result of (i) any amendment to, or change (including any announced prospective change) in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series A Preferred Stock; (ii) any proposed change in those laws or regulations that is announced or becomes effective after the initial issuance of any share of Series A Preferred Stock; or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series A Preferred Stock, there is more than an insubstantial risk that the Company will not be entitled to treat the full liquidation value of the shares of Series A Preferred Stock then outstanding as "Tier 1 Capital" (or its equivalent) for purposes of the capital adequacy guidelines of Federal Reserve Regulation Y (or, as and if applicable, the capital adequacy guidelines or regulations of any successor appropriate federal banking regulator or agency), as then in effect and applicable, for as long as any share of Series A Preferred Stock is outstanding. Redemption of the Series A Preferred Stock is subject to the Company's receipt of any required prior approvals from the Federal Reserve and to the satisfaction of any conditions set forth in the capital guidelines of the Federal Reserve applicable to the redemption of the Series A Preferred Stock.

Redemption Procedures

If shares of the Series A Preferred Stock are to be redeemed, the notice of redemption shall be sent to the holders of record of the Series A Preferred Stock to be redeemed not less than 15 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the Depositary Shares representing the Series A Preferred Stock are held in book-entry form through DTC, the Company may give such notice in any manner permitted by DTC). Each notice of redemption will include a statement setting forth:

- the redemption date;
- the number of shares of Series A Preferred Stock to be redeemed and, if less than all the shares held by the holder are to be redeemed, the number of shares of Series A Preferred Stock to be redeemed from the holder;
- the redemption price; and
- the place or places where the certificates evidencing shares of Series A Preferred Stock are to be surrendered for payment of the redemption price.

On and after the redemption date, dividends will cease to accrue on shares of Series A Preferred Stock, and such shares of Series A Preferred Stock shall no longer be deemed outstanding and all rights of the holders of such shares will terminate, including the rights described under "— Voting Rights" below, except the right to receive the redemption price plus any declared and unpaid dividends on the shares of Series A Preferred Stock called for redemption up to the redemption date. See "Description of Depositary Shares" for information about redemption of the Depositary Shares relating to the Series A Preferred Stock.

In case of any redemption of only part of the shares of the Series A Preferred Stock at the time outstanding, the shares to be redeemed shall be selected pro rata or by lot. Subject to the provisions hereof, the Board shall have full power and authority to prescribe the terms and conditions upon which shares of Series A Preferred Stock shall be redeemed from time to time.

Under the Federal Reserve's current risk-based capital guidelines applicable to bank holding companies, any redemption of the Series A Preferred Stock is subject to prior approval by the Federal Reserve. Any redemption of the Series A Preferred Stock is subject to the Company's receipt of any required prior approval by the Federal Reserve and to the satisfaction of any conditions set forth in the capital guidelines or regulations of the Federal Reserve applicable to redemption of the Series A Preferred Stock.

Neither the holders of the Series A Preferred Stock nor the holders of the related Depositary Shares have the right to require the redemption or repurchase of the Series A Preferred Stock.

Liquidation Rights

In the event the Company liquidates, dissolves or wind-ups its business and affairs, either voluntarily or involuntarily, holders of the Series A Preferred Stock are entitled to receive a liquidating distribution of $10,000 per share (equivalent to $25 per Depositary Share), plus any declared and unpaid dividends, without accumulation of any undeclared dividends before the Company makes any distribution of assets to the holders of the Common Stock or any other class or series of shares ranking junior to the Series A Preferred Stock. Holders of the Series A Preferred Stock will not be entitled to any other amounts from the Company after they have received their full liquidating distribution.

In any such distribution, if the assets of the Company are not sufficient to pay the liquidation preferences plus declared and unpaid dividends in full to all holders of the Series A Preferred Stock and all holders of parity stock, if any, as to such distribution with the Series A Preferred Stock, the amounts paid to the holders of Series A Preferred Stock and parity stock, if any, will be paid pro rata in accordance with the respective aggregate liquidating distribution owed to those holders. If the liquidation preference plus declared and unpaid dividends has been paid in full to all holders of Series A Preferred Stock and parity stock, if any, the holders of the Company's junior stock shall be entitled to receive all remaining assets of the Company according to their respective rights and preferences.

In addition, the Company will generally be able to pay dividends and distributions upon liquidation, dissolution or winding up only out of lawfully available assets for such payment

(after satisfaction of all claims for indebtedness and other non-equity claims). Further, the Series A Preferred Stock may be fully subordinated to interests held by the U.S. government in the event that the Company enters into a receivership, insolvency, liquidation, or similar proceeding, including a proceeding under the Orderly Liquidation Authority of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”).

For purposes of this section, the merger or consolidation of the Company with any other entity, including a merger or consolidation in which the holders of Series A Preferred Stock receive cash, securities or property for their shares, or the sale, lease or exchange of all or substantially all of the assets of the Company for cash, securities or other property, shall not constitute a liquidation, dissolution or winding up of the Company.

Because the Company is a holding company, the Company’s rights and the rights of the Company’s creditors and the Company’s shareholders, including the holders of the Series A Preferred Stock, to participate in the assets of any of the Company’s subsidiaries, including Atlantic Union Bank, upon that subsidiary’s liquidation or recapitalization may be subject to the prior claims of that subsidiary’s creditors, except to the extent that the Company is a creditor with recognized claims against the subsidiary.

Voting Rights

Except as provided below, the holders of the Series A Preferred Stock will have no voting rights.

Right to Elect Two Directors upon Nonpayment

If the Company fails to pay, or declare and set apart for payment, dividends on outstanding shares of the Series A Preferred Stock for six quarterly dividend periods, whether or not consecutive, the number of directors on the Board shall be increased by two at the Company’s first annual meeting of the shareholders held thereafter, and at such meeting and at each subsequent annual meeting until continuous noncumulative dividends for at least one year on all outstanding shares of Series A Preferred Stock entitled thereto shall have been paid in full, the holders of shares of Series A Preferred Stock shall have the right, voting as a class together with holders of any other equally ranked series of preferred stock that have similar voting rights, if any, to elect such two additional members of the Board to hold office for a term of one year; provided that the Board shall at no time include more than two additional directors elected by holders of shares of Series A Preferred Stock and any other equally ranked series of preferred stock having similar voting rights, if any, voting together as one class. Upon such payment in full, the terms of the two additional directors so elected shall forthwith terminate, and the number of directors shall be reduced by two, and such voting right of the holders of shares of Series A Preferred Stock shall cease, subject to increase in the number of directors as described above and to revesting of such voting right in the event of each and every additional failure in the payment of dividends for six quarterly dividend periods, whether or not consecutive, as described above. In addition, if and when the rights of holders of Series A Preferred Stock terminate for any reason, including under circumstances described above under “—Redemption,” such voting rights shall terminate along with the other rights (except, if applicable, the right to receive the redemption price plus any declared and unpaid dividends), and the terms of any additional

directors elected by the holders of Series A Preferred Stock and any other equally ranked series of preferred stock having similar voting rights, if any, shall terminate automatically and the number of directors reduced by two, assuming that the rights of holders of such equally ranked series of preferred stock have similarly terminated.

Under regulations adopted by the Federal Reserve, if the holders of any series of preferred stock are or become entitled to vote separately for the election of directors as a class, such series, along with any other holders of stock that are entitled to vote for the election of directors with that series, will be deemed a class of voting securities. A company holding 25% or more of that class, or less if it otherwise exercises a "controlling influence" over the Company, will be subject to regulation as a bank holding company under the Bank Holding Company Act of 1956, as amended (the "BHC Act"). In addition, at the time the series is deemed a class of voting securities, any other bank holding company or systemically significant nonbank financial company will be required to obtain the prior approval of the Federal Reserve under the BHC Act to acquire or retain more than 5% of that class. Any other person (other than a bank holding company or systemically significant nonbank financial company) will be required to obtain the non-objection of the Federal Reserve under the Change in Bank Control Act of 1978, as amended, to acquire or retain 10% or more of that class.

Other Voting Rights

So long as any shares of Series A Preferred Stock remain outstanding, the affirmative vote or consent of the holders of at least two-thirds of all outstanding shares of the Series A Preferred Stock, voting separately as a class, shall be required to:

- authorize or increase the authorized amount of, or issue shares of, any class or series of senior stock, or issue any obligation or security convertible into or evidencing the right to purchase any such shares;

- amend the provisions of the Articles so as to adversely affect the powers, preferences, privileges or rights of the Series A Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series A Preferred Stock or authorized Common Stock or preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of preferred stock ranking equally with or junior to the Series A Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) or the distribution of assets upon liquidation, dissolution or winding up of the Company will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series A Preferred Stock; or

- consummate a binding share-exchange or reclassification involving the Series A Preferred Stock, or a merger or consolidation with or into another entity unless (i) the shares of the Series A Preferred Stock remain outstanding or are converted into or exchanged for preference securities of the new surviving entity and (ii) the shares of the remaining Series A Preferred Stock or new preferred securities have terms that are not materially less favorable than the Series A Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of Series A Preferred Stock shall have been redeemed.

Voting Rights under Virginia Law

Except as expressly set forth in the Articles, the Virginia SCA does not provide any additional voting rights to the holders of the Series A Preferred Stock. Therefore, under the Virginia SCA, the holders of the Series A Preferred Stock will only have those voting rights set forth above under "— Voting Rights."

Other Preferred Stock

The Articles authorize the Board to create and provide for the issuance of one or more series of preferred stock, par value $10.00 per share, without the approval of the Company's shareholders. The Board can also determine the terms, including the designations, powers, preferences and rights (including conversion, voting and other rights) and the qualifications, limitations or restrictions, of any preferred stock. Currently, 500,000 shares of the Company's capital stock are classified as preferred stock under the Articles. As of the filing date of the Form 10-K, the Company has [6,900,000] Depositary Shares issued and outstanding, representing [17,250] shares of Series A Preferred Stock. The representative Depositary Shares are summarized below under "Description of Depositary Shares."

Depositary Agent, Transfer Agent and Registrar

Computershare Trust Company, N.A. is the depositary, and, collectively with Computershare Inc., is the transfer agent and registrar for the Series A Preferred Stock. The Company may, in its sole discretion, remove the depositary in accordance with the Deposit Agreement (as defined below); provided that the Company will appoint a successor depositary who will accept such appointment prior to the effectiveness of its removal.

Information Rights

During any period in which the Company is not subject to Section 13 or 15(d) of the Exchange Act and any shares of the Series A Preferred Stock are outstanding, the Company will use its best efforts to (i) make available on its website at https://www.atlanticunionbank.com copies of the annual and quarterly reports that would be required to be filed with the SEC on Forms 10-K and 10-Q, respectively, if the Company was subject to Section 13 or 15(d) of the Exchange Act (other than any exhibits that would have been required), within the time periods that would apply if the Company was required to file those reports with the SEC if the Company was a "non-accelerated filer" within the meaning of the Exchange Act; and (ii) promptly, upon request, supply copies of such reports to any holder or prospective holder of the Series A Preferred Stock. In addition, the Company will use its best efforts to mail (or otherwise provide) its annual and quarterly reports to all holders of the Series A Preferred Stock, as their names and addresses appear in the Company's record books and without cost to such holders, within 15 days after the

respective dates by which a periodic report on Form 10-K or Form 10-Q, as the case may be, would have been required to be filed with the SEC, if the Company was subject to Section 13 or 15(d) of the Exchange Act, in each case, based on the dates on which the Company would be required to file such periodic reports if it was a "non-accelerated filer" within the meaning of the Exchange Act.

Preemptive and Conversion Rights

The holders of the Series A Preferred Stock do not have any preemptive or conversion rights.

Description of Depositary Shares

The following description of the material features of the Depositary Shares relating to the Series A Preferred Stock does not purport to be complete and is in all respects subject to, and qualified in their entirety by reference to, the applicable provisions of Virginia law and by the Articles and the Bylaws.

General

The Depositary Shares represent proportional fractional interests in shares of the Series A Preferred Stock. Each Depositary Share represents a 1/400th interest in a share of the Series A Preferred Stock, and is evidenced by depositary receipts. The Company has deposited the underlying shares of the Series A Preferred Stock with a depositary pursuant to a deposit agreement among the Company, Computershare Trust Company, N.A., acting as depositary, Computershare Inc. and the holders from time to time of the depositary receipts evidencing the Depositary Shares (the "Deposit Agreement"). Subject to the terms of the Deposit Agreement, each holder of a Depositary Share is entitled, through the depositary, in proportion to the applicable fraction of a share of Series A Preferred Stock represented by such Depositary Share, to all the rights and preferences of the Series A Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights).

Dividends and Other Distributions

Each dividend payable on a Depositary Share will be in an amount equal to 1/400th of the dividend declared and payable on the related share of the Series A Preferred Stock.

The depositary will distribute any cash dividends or other cash distributions received in respect of the deposited Series A Preferred Stock to the record holders of Depositary Shares relating to the underlying Series A Preferred Stock in proportion to the number of Depositary Shares held by the holders. If the Company makes a distribution other than in cash, the depositary will distribute any property received by it to the record holders of Depositary Shares entitled to those distributions, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make a distribution. In that event, the depositary may, with the Company's approval, sell the property and distribute the net proceeds from the sale to the holders of the Depositary Shares.

Record dates for the payment of dividends and other matters relating to the Depositary Shares will be the same as the corresponding record dates for the Series A Preferred Stock.

The amounts distributed to holders of Depositary Shares will be reduced by any amounts required to be withheld by the depositary or by the Company on account of taxes or other governmental charges. The depositary may refuse to make any payment or distribution, or any transfer, exchange, or withdrawal of any Depositary Shares or the shares of the Series A Preferred Stock until such taxes or other governmental charges are paid.

Redemption of Depositary Shares

If the Company redeems the Series A Preferred Stock represented by the Depositary Shares, the Depositary Shares will be redeemed from the proceeds received by the depositary resulting from the redemption of the Series A Preferred Stock held by the depositary. The redemption price per Depositary Share is expected to be equal to 1/400th of the redemption price per share payable with respect to the Series A Preferred Stock (or $25 per Depositary Share), plus any declared and unpaid dividends.

Whenever the Company redeems shares of Series A Preferred Stock held by the depositary, the depositary will redeem, as of the same redemption date, the number of Depositary Shares representing shares of Series A Preferred Stock so redeemed. If fewer than all of the outstanding Depositary Shares are redeemed, the depositary will select the Depositary Shares to be redeemed pro rata or by lot. The depositary will send notice of redemption to record holders of the depositary receipts not less than 15 and not more than 60 days prior to the date fixed for redemption of the Series A Preferred Stock and the related Depositary Shares (provided that, if the Depositary Shares representing the Series A Preferred Stock are held in book-entry form through DTC, the depositary may give such notice in any manner permitted by DTC).

Voting the Preferred Stock

Because each Depositary Share represents a 1/400th interest in a share of the Series A Preferred Stock, holders of depositary receipts will be entitled to 1/400th of a vote per Depositary Share under those limited circumstances in which holders of the Series A Preferred Stock are entitled to a vote.

When the depositary receives notice of any meeting at which the holders of the Series A Preferred Stock are entitled to vote, the depositary will send the information contained in the notice to the record holders of the Depositary Shares relating to the Series A Preferred Stock. Each record holder of the Depositary Shares on the record date, which will be the same date as the record date for the Series A Preferred Stock, may instruct the depositary to vote the amount of the Series A Preferred Stock represented by the holder's Depositary Shares. To the extent possible, the depositary will vote the amount of the Series A Preferred Stock represented by Depositary Shares in accordance with the instructions it receives. The Company has agreed to take all reasonable actions that the depositary determines are necessary to enable the depositary to vote as instructed. If the depositary does not receive specific instructions from the holders of

any Depositary Shares representing the Series A Preferred Stock, it will not vote the amount of the Series A Preferred Stock represented by such Depositary Shares.

Depositary Agent, Transfer Agent and Registrar

Computershare Trust Company, N.A. is the depositary and, collectively with Computershare Inc., is the transfer agent and registrar for the Depositary Shares. The Company may, in its sole discretion, remove the depositary in accordance with the Deposit Agreement; provided that the Company will appoint a successor depositary who will accept such appointment prior to the effectiveness of its removal.

Listing of Depositary Shares

The Depositary Shares are listed on the NASDAQ Global Select Market under the symbol "AUBAP."

Exhibit 10.1

AMENDED AND RESTATED
MANAGEMENT CONTINUITY AGREEMENT

This Amended and Restated Management Continuity Agreement ("Agreement"), is made as of January 14, 2022, by and between Atlantic Union Bankshares Corporation, a Virginia corporation ("Bankshares"), which is the parent company of Atlantic Union Bank, a Virginia banking corporation (the "Bank"), the Bank, and Robert M. Gorman (the "Executive"). Bankshares and the Bank shall be collectively referred to herein as the "Company."

1. Purpose

The Company recognizes that the possibility of a Change in Control exists and the uncertainty and questions that it may raise among management may result in the departure or distraction of management personnel to the detriment of the Company and its shareholders. Accordingly, the purpose of this Agreement is to encourage the Executive to continue employment with the Company and/or its affiliates or successors in interest by merger or acquisition after a Change in Control by providing reasonable employment security to the Executive and to recognize the prior service of the Executive in the event of a termination of employment under certain circumstances after a Change in Control.

2. Term of the Agreement

This Agreement will be effective on January 14, 2022 (the "Effective Date") and will expire on December 31, 2022; provided that on December 31, 2022 and on each December 31st thereafter (each such December 31st is referred to as the "Renewal Date"), this Agreement will be automatically extended for an additional calendar year. This Agreement will not, however, be extended if the Company gives written notice of non-renewal to the Executive no later than September 30th before the Renewal Date (the original and any extended term of this Agreement is referred to as the "Change in Control Period").

3. Employment after a Change in Control

If a Change in Control of the Company (as defined in Section 12) occurs during the Change in Control Period and the Executive is employed by the Company on the date the Change in Control occurs (the "Change in Control Date"), the Company will continue to employ the Executive in accordance with the terms and conditions of this Agreement for the period beginning on the Change in Control Date and ending on the date that is twenty-four (24) months after the Change in Control Date (the "Employment Period"). If a Change in Control occurs on account of a series of transactions, the Change in Control Date is the date of the last of such transactions.

4. Terms of Employment

(a) Position and Duties. During the Employment Period, (i) the Executive's position, authority, duties and responsibilities will be at least commensurate in all material respects with the most significant of those held, exercised and assigned to Executive by the Company at any time during the ninety (90)-day period immediately preceding the Change in Control Date and (ii) the Executive's services will be performed at the location where the Executive was employed immediately preceding the Change in Control Date or any office that is the headquarters of the Company and is less than thirty-five (35) miles from such location.

(b) Compensation.

(i) Base Salary. During the Employment Period, the Executive will receive an annual base salary (the "Annual Base Salary") at least equal to the base salary paid or payable to the Executive by the Company and its affiliated companies for the twelve-month period immediately preceding the Change of Control Date with such Annual Base Salary paid in accordance with the payroll practices of the Company applicable to all officers (but not less frequently than monthly). During the Employment Period, the Annual Base Salary will be reviewed at least annually and will be increased at any time and from time to time as will be substantially consistent with increases in base salary generally awarded in the ordinary course of business to other peer executives of the Company and its affiliated companies. Any increase in the Annual Base

Salary will not serve to limit or reduce any other obligation to the Executive under this Agreement. The Annual Base Salary will not be reduced after any such increase, and the term Annual Base Salary as used in this Agreement will refer to the Annual Base Salary as so increased. The term "affiliated companies" includes any company controlled by, controlling or under common control with the Company.

(ii) Annual Bonus. In addition to the Annual Base Salary, the Executive will be awarded for each year ending during the Employment Period and for which the Executive is employed on the last day of the year an annual bonus (the "Annual Bonus") in cash at least equal to the average annual bonus paid or payable, including by reason of any deferral, for the two years immediately preceding the year in which the Change in Control Date occurs. Each such Annual Bonus earned will be paid no later than two and one-half months after the end of the year for which the Annual Bonus is awarded.

(iii) Incentive, Savings and Retirement Plans. During the Employment Period, the Executive will be entitled to participate in all incentive (including stock incentive), savings and retirement, insurance plans, policies and programs applicable generally to other peer executives of the Company and its affiliated companies, subject to the terms and conditions of such plans, policies and programs as in effect from time to time.

(iv) Welfare Benefit Plans. During the Employment Period, the Executive and/or the Executive's spouse and/or eligible dependents, as the case may be, will be eligible for participation in and will receive all benefits under welfare benefit plans, policies and programs provided by the Company and its affiliated companies to the extent applicable generally to other peer executives of the Company and its affiliated companies, subject to the terms and conditions of such plans, policies and programs as in effect from time to time.

(v) Fringe Benefits. During the Employment Period, the Executive will be entitled to fringe benefits in accordance with the most favorable plans, policies and programs of the Company and its affiliated companies in effect for the Executive at any time during the six months immediately preceding the Change in Control Date or, if more favorable to the Executive, as in effect generally from time to time after the Change in Control Date with respect to other peer executives of the Company and its affiliated companies.

(vi) Paid Time Off. During the Employment Period, the Executive will be entitled to paid time off in accordance with the most favorable plans, policies and programs of the Company and its affiliated companies in effect for the Executive at any time during the six months immediately preceding the Change in Control Date or, if more favorable to the Executive, as in effect generally from time to time after the Change in Control Date with respect to other peer executives of the Company and its affiliated companies.

5. Termination of Employment Following a Change in Control

(a) Death or Disability. The Executive's employment will terminate automatically upon the Executive's death during the Employment Period. If the Company determines in good faith that the Disability of the Executive has occurred during the Employment Period, it may terminate the Executive's employment. For purposes of this Agreement, "Disability" means the Executive's inability to perform the essential functions of his position with the Company on a full time basis for one hundred and eighty (180) consecutive days or a total of at least two hundred and forty (240) days in any twelve (12)-month period as a result of the Executive's incapacity due to physical or mental illness as determined pursuant to the Company's long-term disability policy.

(b) Cause. The Company may terminate the Executive's employment during the Employment Period for Cause. For purposes of this Agreement, "Cause" means (i) gross incompetence, gross negligence, willful misconduct in connection with the performance of your duties or breach of a fiduciary duty owed to the Company or any affiliated company; (ii) conviction of or entering of a guilty plea or a plea of no contest with respect to a felony or a crime of moral turpitude or commission of an act of embezzlement or fraud against the Company or any affiliated company; (iii) any material breach by the Executive of a material term of this Agreement, including, without limitation, material failure to perform a substantial portion of his duties and responsibilities hereunder, after being advised in writing of such breach or failure and provided a thirty (30)-day opportunity to cure; or (iv) deliberate dishonesty of the Executive with respect to the Company or any affiliated company.

(c) Good Reason. The Executive's employment may be terminated during the Employment Period by the Executive for Good Reason. The Executive must provide written notice to the Company of the existence of the event or condition constituting such Good Reason within ninety (90) days after the initial occurrence of the event or condition alleged to constitute Good Reason. Upon delivery of such notice by you, the Company shall have a period of thirty (30) days during which it may remedy the event or condition constituting Good Reason, and the Executive's employment shall continue in effect during such time. In the event the Company shall remedy the event or condition constituting Good Reason, then such notice of termination shall be null and void, and the Company shall not be required to pay any amount due to you under this Section 4(f). If the Company has not remedied the event or condition constituting Good Reason during the thirty (30) day cure period and the Executive does not terminate employment for Good Reason within ninety (90) days thereafter, then the Executive will have waived his right to terminate for Good Reason with respect to such grounds. For purposes of this Agreement, "Good Reason" means:

(i) a material reduction in the Executive's duties or authority;

(ii) a failure by the Company to comply with any of the provisions of Section 4(b);

(iii) the Company's requiring the Executive to be based at any office or location other than that described in Section 4(a) (ii);

(iv) the failure by the Company to comply with and satisfy Section 7(b); or

(v) the Company breaches any term or provision of this Agreement;

Notwithstanding the above, Good Reason shall not include any resignation by the Executive where Cause for the Executive's termination by the Company exists or an isolated, insubstantial and/or inadvertent action not taken in bad faith by the Company and which is remedied by the Company within thirty (30) days after receipt of notice thereof if given by the Executive.

(d) Notice of Termination. Any termination during the Employment Period by the Company or by the Executive for Good Reason shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and the Date of Termination.

(e) Date of Termination. "Date of Termination" means (i) if the Executive's employment is terminated by the Company for Cause, or by the Executive for Good Reason, the date of receipt of the Notice of Termination or any later date specified therein, as the case may be, (ii) if the Executive's employment is terminated by the Company other than for Cause or Disability, the date specified in the Notice of Termination (which shall not be less than thirty (30) nor more than sixty (60) days from the date such Notice of Termination is given), and (iii) if the Executive's employment is terminated for Disability, thirty (30) days after Notice of Termination is given, provided that the Executive shall not have returned to the full-time performance of his duties during such thirty (30)-day period.

(f) Resignation of All Other Positions. Effective upon the termination of the Executive's employment for any reason, the Executive shall be deemed to have resigned from all positions the Executive holds as an officer of the Company or any of its affiliates.

6. Compensation Upon Termination

(a) Termination Without Cause or for Good Reason. The Executive will be entitled to the following benefits if, during the Employment Period, the Company terminates his employment without Cause or the Executive terminates his employment with the Company or any affiliated company for Good Reason; provided with respect to the payments set forth in paragraphs (ii) and (iii) below, the Executive signs and delivers a general release and waiver of all claims in favor of the Company, its affiliates and their respective officers and directors in a form provided by the Company and such release has become effective and irrevocable (the "Release") (for avoidance of doubt, no release is required in connection with the payments set forth in paragraph (i) below).

(i) Accrued Obligations. The Accrued Obligations are the sum of: (1) the accrued but unpaid amount of the Executive's Annual Base Salary that remains unpaid through the Date of Termination at the rate in effect just prior to the time a Notice of Termination is given; (2) the amount, if any, of any Annual Bonus compensation theretofore earned under Section 4(b)(ii) which has not yet been paid; (3) the product of the Annual Bonus paid or payable, including by reason of deferral, for the most recently completed year and a fraction, the numerator of which is the number of days in the current year through the Date of Termination and the denominator of which is 365; (4) any benefits or awards (including both the cash and stock components) which pursuant to the terms of any plans, policies or programs have been earned or become payable, but which have not yet been paid to the Executive (but not including amounts that previously had been deferred at the Executive's request, which amounts will be paid in accordance with the Executive's existing directions); and (5) all unreimbursed business expenses properly incurred on behalf of the Company by the Executive. The Accrued Obligations will be paid to the Executive in a lump sum cash payment within ten (10) days after the Date of Termination or such earlier date as required by law;

(ii) Salary Continuance Benefit. The Salary Continuance Benefit is an amount equal to 2.0 times the Executive's Final Compensation. For purposes of this Agreement, "Final Compensation" means the Annual Base Salary in effect at the Date of Termination, plus the highest Annual Bonus paid or payable for the two most recently completed years. The Salary Continuance Benefit will be paid to the Executive in a lump sum cash payment within sixty (60) days after the Date of Termination, subject to compliance with Section 16 of this Agreement regarding the requirements of Section 409A of the Internal Revenue Code of 1986 (the "Code"), if applicable;

(iii) Welfare Continuance Benefit. The Company shall pay you a welfare continuance benefit (the "Welfare Continuance Benefit") in an amount equal to the product of (x) the amount of the Company's monthly contribution pursuant to its current plan, or plans, in effect as of the Date of Termination to provide group health, dental and vision insurance benefits made available to similarly situated officers of the Company (for avoidance of doubt, that monthly contribution is $720 as of the date of this Agreement), times (y) twenty-four (24). The Welfare Continuance Benefit will be paid to the Executive in a lump sum cash payment within sixty (60) days after the Date of Termination, subject to compliance with Section 16 of this Agreement regarding the requirements of Section 409A of the Code, if applicable.

(iv) Equity Acceleration. All outstanding Awards (as defined in the applicable equity award plan of Bankshares) shall vest in accordance with the terms of the applicable award agreement or other governing document pursuant to which an Award is granted (the "Award Agreement"), except that, solely for purposes of determining vesting in such Awards that are outstanding as of the date of this Agreement and subject to the Release requirement herein, you will be treated as if you are eligible to receive severance pay under the Atlantic Union Bankshares Executive Severance Plan for purposes of applying the terms of the applicable Award Agreement.

(b) Death. If the Executive dies during the Employment Period, this Agreement will terminate without any further obligation on the part of the Company under this Agreement, other than for (i) payment of the Accrued Obligations and six months of the Executive's Annual Base Salary (which shall be paid to the Executive's beneficiary or beneficiaries named on Exhibit 1 to this Agreement (or if none, to his estate) in a lump sum cash payment within sixty (60) days after the date of Executive's death); (ii) payment of an amount equal to the Welfare Continuance Benefit calculated under Section 6(b)(iii) (which shall be paid to the Executive's beneficiary or beneficiaries named on Exhibit 1 to this Agreement (or if none, to her estate) in a lump sum cash payment within sixty (60) days after the date of Executive's death); and (iii) the timely payment of all death and retirement benefits pursuant to the terms of any plan, policy or arrangement of the Company and its affiliated companies.

(c) Disability. If the Executive's employment is terminated because of the Executive's Disability during the Employment Period, this Agreement will terminate without any further obligation on the part of the Company under this Agreement, other than for (i) payment of the Accrued Obligations and six months of the Executive's Annual Base Salary (which shall be paid to the Executive in a lump sum cash payment within sixty (60) days after the Date of Termination, subject to compliance with Section 16 of this Agreement regarding the requirements of Section 409A of the Code, if applicable); (ii) the timely payment or provision of the Welfare Continuance Benefit for 24 months following the Date of Termination; and (iii) the timely payment of all disability

and retirement benefits pursuant to the terms of any plan, policy or arrangement of the Company and its affiliated companies.

(d) Cause; Other than for Good Reason. If the Executive's employment is terminated for Cause during the Employment Period, this Agreement will terminate without any further obligation to the Executive other than the payment to the Executive of the Annual Base Salary through the Date of Termination, plus the amount of any compensation previously deferred by the Executive paid in accordance with the terms of the plan or program under which such compensation was deferred and applicable law, and all unreimbursed business expenses properly incurred by the Executive. If the Executive terminates employment during the Employment Period, excluding a termination for Good Reason, this Agreement will terminate without any further obligation to the Executive other than for the Accrued Obligations (which will be paid in a lump sum in cash within sixty (60) days after the Date of Termination or such earlier date required by law) and any other benefits to which the Executive may be entitled pursuant to the terms of any plan, program or arrangement of the Company and its affiliated companies.

(e) Maximum Benefit. No amounts will be payable and no benefits will be provided under this Agreement to the extent that such payments or benefits, together with other payments or benefits under other plans, agreements or arrangements, would make the Executive liable for the payment of an excise tax under Section 4999 of the Code, or any successor provision. The amounts otherwise payable and the benefits otherwise to be provided under this Agreement shall be reduced in a manner determined by the Company (by the minimum possible amount) that is consistent with the requirements of Section 409A of the Code until no amount payable to the Executive will be subject to such excise tax. All calculations and determinations under this Section 6(e) shall be made by an independent accounting firm or independent tax counsel appointed by the Company (the "Tax Advisor") whose determinations shall be conclusive and binding on the Company and the Executive for all purposes. The Tax Advisor may rely on reasonable, good faith assumptions and approximations concerning the application of Section 280G and Section 4999 of the Code. The Company shall bear all costs of the Tax Advisor.

7. Binding Agreement; Successors

(a) This Agreement will be binding upon and inure to the benefit of the Executive (and his personal representative), the Company and any successor organization or organizations which shall succeed to substantially all of the business and property of the Company, whether by means of merger, consolidation, acquisition of all or substantially of all of the assets of the Company or otherwise, including by operation of law.

(b) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

(c) For purposes of this Agreement, the term "Company" includes any subsidiaries of the Company and any corporation or other entity which is the surviving or continuing entity in respect of any merger, consolidation or form of business combination in which the Company ceases to exist; provided, however, that for purposes of determining whether a Change in Control has occurred herein, the term "Company" refers to Atlantic Union Bankshares Corporation or its successors.

8. Fees and Expenses; Mitigation

(a) The Company will pay or reimburse the Executive for all costs and expenses, including without limitation court costs and reasonable attorneys' fees, incurred by the Executive (i) in contesting or disputing any termination of the Executive's employment or (ii) in seeking to obtain or enforce any right or benefit provided by this Agreement, in each case provided the Executive is the prevailing party in a proceeding brought in a court of competent jurisdiction. The Company shall reimburse the foregoing costs on a current basis after the Executive submits a claim for reimbursement with the proper documentation of the costs and expenses, provided that no expense will be reimbursed after the end of the year following the year in which the expense is incurred.

(b) The Executive shall not be required to mitigate the amount of any payment the Company becomes obligated to make to the Executive in connection with this Agreement, by seeking other employment or otherwise.

The amount of any payment provided for in Section 6 shall not be reduced, offset or subject to recovery by the Company by reason of any compensation earned by the Executive as the result of employment by another employer after the Date of Termination, or otherwise.

9. No Employment Contract

Nothing in this Agreement will be construed as creating an employment contract between the Executive and the Company prior to a Change in Control.

10. Survival of Certain Restrictive Covenants

Section 5(a) of the Employment Agreement, dated as of the same hereof, between the Company and the Executive with respect to the Executive's covenants concerning noncompetition will not apply to the Executive after she ceases to be employed by the Company, unless the Executive is entitled to receive the severance benefits provided for in Section 6 of this Agreement in connection with the termination of her employment without Cause or for Good Reason in which case the restrictions imposed by Section 5(a) in the Employment Agreement will continue to apply. The non-solicitation and non-piracy restrictions in Sections 5(b) and 5(c) of the Employment Agreement and the confidentiality provisions in Section 5(f) of the Employment Agreement, together with the other provisions of Section 5, except to the extent Section 5(a) of the Employment Agreement may not apply as provided above, will survive the termination of the Employment Agreement and are incorporated into and made a part of this Agreement as though Section 5 of the Employment Agreement were set forth in full in this Agreement and shall apply in all circumstances.

11. Notice

Any notices and other communications provided for by this Agreement will be sufficient if in writing and delivered in person, or sent by registered or certified mail, postage prepaid (in which case notice will be deemed to have been given on the third day after mailing), or by overnight delivery by a reliable overnight courier service (in which case notice will be deemed to have been given on the day after delivery to such courier service). Notices to the Company shall be directed to the Secretary of the Company, with a copy directed to the Chairman of the Board. Notices to the Executive shall be directed to his last known address.

12. Definition of a Change in Control

No benefits shall be payable hereunder unless there shall have been a Change in Control of the Company during the Change in Control Period as set forth below. For purposes of this Agreement, a "Change in Control" means:

(a) The acquisition by any Person of beneficial ownership of 20% or more of the then outstanding shares of common stock of the Company, provided that an acquisition directly from the Company (excluding an acquisition by virtue of the exercise of a conversion privilege) shall not constitute a Change in Control.

(b) Individuals who constitute the Board on the date of this Agreement (the "Incumbent Board") cease to constitute a majority of the Board, provided that any director whose nomination was approved by a vote of at least two-thirds of the directors then comprising the Incumbent Board will be considered a member of the Incumbent Board, but excluding any such individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company.

(c) Consummation by the Company of a reorganization, merger, share exchange or consolidation (a "Reorganization"), provided that a Reorganization will not constitute a Change in Control if, upon consummation of the Reorganization, each of the following conditions is satisfied:

(i) more than 50% of the then outstanding shares of common stock of the corporation resulting from the Reorganization is beneficially owned by all or substantially all of the former shareholders of the Company in substantially the same proportions as their ownership existed in the Company immediately prior to the Reorganization;

(ii) no Person beneficially owns 20% or more of either (1) the then outstanding shares of common stock of the corporation resulting from the transaction or (2) the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors; and

(iii) at least a majority of the members of the board of directors of the corporation resulting from the Reorganization were members of the Incumbent Board at the time of the execution of the initial agreement providing for the Reorganization.

(d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company, or the consummation of a sale or other disposition of all or substantially all of the assets of the Company.

(e) For purposes of this Agreement, "Person" means any individual, entity or group (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934 (the "Exchange Act"), other than any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliated company, and "beneficial ownership" has the meaning given the term in Rule 13d-3 under the Exchange Act.

(f) The foregoing definition of Change in Control shall be modified to the extent necessary to be consistent with and interpreted in accordance with Code Section 409A and regulations issued thereunder.

13. Miscellaneous

No provision of this Agreement may be amended, modified, waived or discharged unless such amendment, modification, waiver or discharge is agreed to in a writing signed by the Executive and the Chairman of the Board, Chief Executive Officer, or President of Bankshares. This Agreement replaces and supersedes any prior agreements, written or oral, relating to the subject matter hereof, and all such agreements is hereby terminated and is without any further legal force or effect. No waiver by either party hereto at any time of any breach by the other party hereto of, or of compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party that are not expressly set forth in this Agreement, except for the Employment Agreement of even date herewith.

14. Arbitration/Venue.

(a) Both the Company and the Executive acknowledge and agree that any dispute or controversy arising out of, relating to, or in connection with the Executive's employment or this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof, shall be settled by binding arbitration unless otherwise required by law, to be held in Richmond, Virginia in accordance with the National Rules for the Resolution of Employment Disputes then in effect of the American Arbitration Association. The arbitrator may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court having jurisdiction. The party against whom the arbitrator(s) shall render an award shall pay the other party's reasonable attorneys' fees and other reasonable costs and expenses in connection with the enforcement of its rights under this Agreement (including the enforcement of any arbitration award in court), unless and to the extent the arbitrator(s) shall determine that, under the circumstances, recovery by the prevailing party of all or a part of any such fees and costs and expenses would be unjust.

(b) The arbitrator(s) shall apply Virginia law to the merits of any dispute or claim, without reference to rules of conflicts of law.

(c) The parties may apply to any court of competent jurisdiction for a temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this arbitration agreement and without abridgment of the powers of the arbitrator. To the extent any dispute between the parties is or becomes part of a judicial proceeding, the exclusive venue for any such proceeding shall be the Circuit Court of Henrico County, Virginia or the federal district court in Richmond, Virginia, selected at the option of the Company and to which the Executive waives all objections and consent to personal jurisdiction.

(d) THE EXECUTIVE HEREBY CONFIRMS THE EXECUTIVE HAS READ AND UNDERSTANDS THIS SECTION 14, WHICH DISCUSSES ARBITRATION, AND UNDERSTANDS THAT BY SIGNING THIS AGREEMENT, THE EXECUTIVE AGREES, EXCEPT AS PROVIDED IN SECTION 14(c), TO SUBMIT ANY CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH THE EXECUTIVE'S EMPLOYMENT, THIS AGREEMENT, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE, BREACH OR TERMINATION THEREOF TO BINDING ARBITRATION, UNLESS OTHERWISE REQUIRED BY LAW, AND THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF THE EXECUTIVE'S RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF THE EXECUTIVE'S RELATIONSHIP WITH THE COMPANY

15. Validity/Severability.

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect. Should any part of this Agreement be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in full force and effect as if the Agreement had been executed without the illegal, invalid or unenforceable portion.

16. Deferred Compensation Omnibus Provision.

(a) It is intended that payments and benefits under this Agreement that are considered to be deferred compensation subject to Section 409A of the Code shall be provided and paid in a manner, and at such time and in such form, as complies with the applicable requirements of Section 409A of the Code to avoid the unfavorable tax consequences provided for therein for non-compliance. Notwithstanding any other provision of this Agreement, Bankshares' Compensation Committee or Board is authorized to amend this Agreement, to amend or void any election made by the Executive under this Agreement and/or to delay the payment of any monies and/or provision of any benefits in such manner as may be determined by it to be necessary or appropriate to comply with Section 409A of the Code. For purposes of this Agreement, all rights to payments and benefits hereunder shall be treated as rights to receive a series of separate payments and benefits to the fullest extent allowed by Section 409A of the Code.

(b) If the Executive is deemed on the date of separation of service with the Company to be a "specified employee," as defined in Section 409A(a)(2)(B) of the Code, then payment of any amount or provision of any benefit under this Agreement that is considered deferred compensation subject to Section 409A of the Code shall not be made or provided prior to the earlier of (A) the expiration of the six-month period measured from the date of separation of service or (B) the date of death (the "409A Deferral Period").

(c) In the case of benefits that are subject to Section 409A of the Code, the Executive may pay the cost of benefit coverage, and thereby obtain benefits, during the 409A Deferral Period and then be reimbursed by the Company when the 409A Deferral Period ends. Not later than ten (10) days after the end of the 409A Deferral Period, all payments delayed pursuant to this Section 16 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided as originally scheduled.

(d) "Termination of employment" shall have the same meaning as "separation of service," as that phrase is defined in Section 409A of the Code (taking into account all rules and presumptions provided for in the Section 409A regulations).

(e) When, if ever, a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within sixty (60) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(f) Notwithstanding any of the provisions of this Agreement, neither the Company the Company's affiliates, nor any of the Company's officers, directors, employees, agents or representatives shall be liable to the

Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A of the Code otherwise fails to comply with, or be exempt from, the requirements of Section 409A of the Code.

17. Withholding. All payments required to be made by the Company hereunder to Executive shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine should be withheld pursuant to any applicable law or regulation.

18. Clawback. The Executive agrees that any incentive based compensation or award that he receives, or has received, from the Company or its Affiliates under this Agreement or otherwise, will be subject to clawback by the Company as may be required by applicable law or stock exchange listing requirement and on such basis as the Board determines, but in no event with a look-back period of more than three years, unless required by applicable law or stock exchange listing requirement.

19. Counterparts; Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. In the event that any signature is executed or delivered by means of an electronic signature (such as DocuSign), facsimile or scanned pages via electronic mail, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such electronic signature, facsimile or scanned pages were the original signed version thereof delivered in person.

20. No Construction Against Any Party. This Agreement is the product of informed negotiations between parties. If any part of this Agreement is deemed to be unclear or ambiguous, it shall be construed as if it were drafted jointly by all parties. The parties agree neither party was in a superior bargaining position regarding the substantive terms of this Agreement.

21. Interpretation**.** Words importing any gender include all genders. Words importing the singular form shall include the plural and vice versa. The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms refer to this Agreement. Any captions, titles or headings preceding the text of any article, section or subsection herein are solely for convenience of reference and shall not constitute part of this Agreement or affect its meaning, construction or effect. Any reference to “days” shall refer to calendar days unless specifically provided otherwise.

[Signatures follow on next page.]

IN WITNESS WHEREOF, this Agreement has been executed by a duly authorized officer of each of Atlantic Union Bankshares Corporation and Atlantic Union Bank and by the Executive, as of the date first above written.

ATLANTIC UNION BANKSHARES CORPORATION

By: /s/ John Asbury
John C. Asbury
Chief Executive Officer

ATLANTIC UNION BANK

By: /s/ John Asbury
John C. Asbury
Chief Executive Officer

EXECUTIVE:

/s/ Robert M. Gorman
Robert M. Gorman

EXHIBIT 1

BENEFICIARY DESIGNATION

I hereby designate the following person(s) as a beneficiary for the purposes of Section 6(b) to the extent of the percentage interest listed next to their name:

NAME	PERCENTAGE INTEREST
TOTAL (CANNOT EXCEED 100%)	

Exhibit 10.2

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement (the “Agreement”) is made as of January 14, 2022, by and between Atlantic Union Bankshares Corporation, a Virginia corporation (“Bankshares”) which is the parent company of Atlantic Union Bank, a Virginia banking corporation (the “Bank”), the Bank, and Robert M. Gorman (“you” or “your”). Bankshares and the Bank shall be collectively referred to herein as the “Company.”

The parties, intending to be legally bound, agree as follows:

1. Employment and Acceptance. You shall be employed or continue to be employed as Executive Vice President and Chief Financial Officer of Bankshares and the Bank on the terms and subject to the conditions of this Agreement. You shall have the duties and responsibilities that are commensurate with your position and shall also render such other managerial services as may be reasonably assigned to you from time to time by the Company, consistent with your position. You accept such employment and agree to carry out your duties and responsibilities to the best of your ability in a competent, efficient and businesslike manner. You further agree to comply with all the policies, standards and codes of conduct of the Company now or hereafter adopted.

References in this Agreement to services rendered for the Company and compensation and benefits payable or provided by the Company shall include services rendered for, and compensation and benefits payable or provided by, any Affiliate (as defined below) of the Company. Unless the context otherwise requires, references in this Agreement to the “Company” also shall mean and refer to any business entity, that, directly or indirectly through one or more intermediaries, is controlled by the Company (each, an “Affiliate”).

2. Term of Employment. This Agreement will be effective on January 14, 2022 (the “Commencement Date”) and will expire on December 31, 2022; provided that on December 31, 2022 and on each December 31st thereafter (each such December 31st is referred to as the “Renewal Date”), the term of your employment will be automatically extended for an additional calendar year. The term of your employment will not, however, be extended if the Company gives you written notice (“Nonrenewal Notice”) of such nonrenewal no later than September 30th before the Renewal Date (the initial and any extended term of your employment is referred to as the “Employment Period”).

3. Compensation and Benefits.

(a) Base Salary. You will receive for your services an annual base salary of $424,634 (the “Base Salary”), which will be payable in accordance with the payroll practices of the Company applicable to all officers (but not less frequently than monthly). The Base Salary will be reviewed annually by Bankshares’ Board of Directors (the “Board of Directors”) and may be adjusted upward or downward in the sole discretion of the Board of Directors. In no event, however, will the Base Salary be less than $424,634.

(b) Short-Term and Long-Term Incentives. During the Employment Period, you may participate in such short-term and/or long-term cash and/or equity incentive plan(s) in such manner and subject to such terms and conditions as the Compensation Committee or the Board of Directors in its sole discretion may determine. Any annual cash bonus will be paid no later than two and one-half (2 ½) months after the end of the year for which the annual bonus is awarded. To be eligible to earn any bonus, and as condition of earning such bonus, you must be employed by the Company on the date such bonus is paid, unless you have retired in accordance with the Company’s retirement policy after the last date of the bonus performance period under the applicable incentive plan.

(c) Benefits. You will be entitled to participate in and receive the benefits of any retirement benefit plan, life insurance, profit sharing, employee stock ownership, and other plans, benefits and privileges of the Company that may be in effect from time to time, to the extent you are eligible under the terms of those plans and programs. It is understood that the Board of Directors may, in its sole discretion, establish, modify or terminate such plans, programs or benefits.

(d) Business Expenses. The Company will reimburse you or otherwise provide for or pay for all reasonable expenses incurred by you in furtherance of, or in connection with, the business of the Company, including, but not by way of limitation, travel expenses, and memberships in professional organizations, subject to such reasonable documentation and other limitations as may be established or required by the Board of Directors.

All reimbursements provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A of the Internal Revenue Code of 1986 (the "Code") to the extent that such reimbursements are subject to Section 409A of the Code, including, where applicable, the requirements that (i) any reimbursement is for expenses incurred during your lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred and (iv) the right to reimbursement is not subject to set off or liquidation or exchange for any other benefit.

(e) Paid Time Off. You will be entitled to paid time off in accordance with the Company's paid time-off policies as in effect from time to time. Under the Company's current policy, you will be entitled to six weeks of paid time-off annually, including vacation, sick leave and personal leave.

4. Termination and Termination Benefits. Notwithstanding the provisions of Section 2, your employment hereunder shall terminate under the following circumstances and shall be subject to the following provisions:

(a) Death. If you die while employed by the Company, the Company will pay the Accrued Amounts (as defined in and subject to the payment timing in Section 4(c), below) and an amount equal to six (6) months of your salary at your then current Base Salary rate to your beneficiary or beneficiaries named on Exhibit 1 to this Agreement (or to your estate, if you fail to make such designation) within sixty (60) days after your death, with such payments to be made on the same periodic dates as salary payments would have been made to you had you not died. If a timely election for COBRA coverage is made, for up to twelve (12) months following your death your qualified dependents will receive benefits under the Company's group health, dental and vision plans at the same rates as those paid by active participants, immediately prior to your death, and the Company will continue to pay its portion of such health, dental and vision premiums. Any COBRA coverage available following such twelve (12) month period shall be at the full (unsubsidized) expense of your covered qualified dependents.

(b) Disability. Your employment may be terminated at any time by the Company because of your inability to perform the essential functions of your position with the Company on a full time basis for 180 consecutive days or a total of at least two hundred forty (240) days in any twelve (12) month period as a result of your incapacity due to physical or mental illness as determined pursuant to the Company's long-term disability policy. If the Company terminates your employment under this Section 4(b), this Agreement will terminate without any further obligation of the Company to you other than to pay you any Accrued amounts (as defined in and subject to payment timing in Section 4(c)) and, if you timely elect COBRA coverage, your then-current benefits under the Company's group health, dental and vision plans will continue in accordance with the terms of the applicable plan and law. In such case, (a) you will receive such benefits at the rates paid by active participants, and (b) for twelve (12) months the Company will continue to pay its portion of such health, dental and vision premiums.

(c) Termination for Cause. Your employment may be terminated at any time by the Company effective immediately for Cause (as defined below) upon written notice to you setting forth in reasonable detail the nature of such Cause. If the Company terminates you for Cause, this Agreement will terminate without any further obligation of the Company to you other than to pay you any accrued but unpaid Base Salary through your termination date, which shall be paid on the payroll date immediately following the date of termination or such earlier date required by law, and to reimburse you for any unreimbursed expenses properly incurred by you (collectively, the "Accrued Amounts"). Only the following shall constitute "Cause" for such termination:

(i) your willful failure to perform any of the duties and responsibilities required of your position (other than by reason of your disability) or your willful failure to follow reasonable instructions or policies of the Company, after being advised in writing of such failure and being given a reasonable opportunity and period (as determined by the Board of Directors but no less than fifteen (15) and no more than thirty (30) days) to remedy such failure (if it is capable of being remedied as determined by the Board of Directors);

(ii) your breach of fiduciary duties or duties of loyalty owed to the Company or its Affiliates;

(iii) your conviction of or entering of a guilty plea or a plea of no contest with respect to a felony (or state law equivalent) or any crime (felony or misdemeanor) of moral turpitude or your misappropriation or embezzlement of funds or property of the Company or its Affiliates;

(iv) your breach of a material term of this Agreement or violation in any material respect of any code or standard of conduct generally applicable to employees of the Company, after being advised in writing of such breach or violation and being given a reasonable opportunity and period (as determined by the Board of Directors but no less than fifteen (15) and no more than thirty (30) days) to remedy such breach or violation (if it is capable of being remedied as determined by the Board of Directors);

(v) your fraud or dishonesty with respect to Company or its Affiliates;

(vi) your engaging in conduct that, if it became known by any regulatory or governmental agency or the public, is or would be reasonably likely to result, or has resulted, in material injury to the Company or its Affiliates, reputational, financial, or otherwise.

(d) Termination Without Cause. The Company may terminate your employment hereunder without Cause by written notice to you effective thirty (30) days after receipt of such notice by you. In the event of your termination of employment by the Company without Cause, you shall be entitled to the benefits specified in Section 4(g) of this Agreement, subject to your satisfaction of the requirements set forth in Section 4(g).

(e) Termination by You Without Good Reason. You may terminate your employment hereunder without Good Reason (as defined below) by written notice to the Company effective thirty (30) days after receipt of such notice by the Company. In the event you terminate your employment hereunder without Good Reason, you will be entitled to receive the Accrued Amounts as provided in Section 4(c). It shall not constitute a breach of this Agreement or "Good Reason" (defined below) for the Company to suspend your duties and to place you on paid leave during the period after notice of termination is received.

(f) Termination by You for Good Reason. You may voluntarily terminate your employment under this Agreement at any time for Good Reason and be entitled to receive the compensation and benefits set forth in Section 4(g), subject to the satisfaction of the requirements set forth in Section 4(g). You must provide written notice to the Company of the existence of the event or condition constituting such Good Reason within ninety (90) days after the initial occurrence of the event or condition alleged to constitute Good Reason. Upon delivery of such notice by you, the Company shall have a period of thirty (30) days during which it may remedy the event or condition constituting Good Reason, and your employment shall continue in effect during such time. In the event the Company shall remedy the event or condition constituting Good Reason, then such notice of termination shall be null and void, and the Company shall not be required to pay any amount due to you under this Section 4(f). If the Company has not remedied the event or condition constituting Good Reason during the thirty (30) day cure period and you do not terminate your employment for Good Reason within ninety (90) days thereafter, then you will have waived your right to terminate for Good Reason with respect to such grounds.

For purposes of this Agreement, Good Reason shall mean: (i) the failure by the Company to comply with the provisions of Section 3 or material breach by the Company of any other material provision of this Agreement; (ii) the assignment to you, without your consent, to a position or of responsibilities and duties that have materially less responsibility and authority than your position, responsibilities, or duties at the Commencement Date; or (iii) the requirement by the Company that you be based (other than on a temporary basis) at any office that is greater than fifty miles from where your office is located at the Commencement Date. Notwithstanding the above, Good Reason shall not include your removal as an officer of any Affiliate of the Company in order that you might concentrate your efforts on the Company or any resignation by you where Cause for your termination by the Company exists.

(g) Certain Termination Benefits. In the event of termination of your employment by the Company without Cause, and other than for death or disability, or by you for Good Reason, you shall receive the Accrued Amounts and, provided you sign and deliver to the Company, within the time periods required by the Company, a general release and waiver of all claims in favor of the Company and its Affiliates and their respective officers and directors and employees and others in a form provided by the Company and it becomes effective and irrevocable (the "Release"), the following payments and benefits;

(i) Any earned but unpaid annual incentive bonus referenced in Section 3(b) with respect to any completed calendar year immediately preceding the date of termination, which shall be paid on the applicable payment date when such bonus would have been otherwise due;

(ii) Subject to subsections (v) and (vii) below, for a two (2)-year period immediately following the date of termination, the Company shall continue to pay you your Base Salary at the rate in effect on the date of termination, such payments to be made on the same periodic dates as salary payments would have been made had your employment not been terminated (the "Severance Benefit"), subject to compliance with Section 19 of this Agreement regarding the requirements of Section 409A of the Code;

(iii) The Company shall pay you a welfare continuance benefit (the "Welfare Continuance Benefit") in an amount equal to the product of (x) the amount of the Company's monthly contribution pursuant to its current plan, or plans, in effect as of the date of termination of employment to provide group health, dental and vision insurance benefits made available to similarly situated officers of the Company (for purposes of illustration only, that monthly contribution is $720 as of the date of this Agreement), times (y) twenty-four (24). The Welfare Continuance Benefit will be paid to you in a lump sum cash payment within sixty (60) days after the date of your termination of employment, provided that the Release has become irrevocable and subject to compliance with Section 19 of this Agreement regarding the requirements of Section 409A of the Code;

(iv) All outstanding Awards (as defined in the applicable equity award plan of Bankshares) shall vest in accordance with the terms of the applicable award agreement or other governing document pursuant to which an Award is granted (the "Award Agreement"), except that, solely for purposes of determining vesting in such Awards that are outstanding as of the date of this Agreement and subject to the Release requirement herein, you will be treated as if you are eligible to receive severance pay under the Atlantic Union Bankshares Executive Severance Plan for purposes of applying the terms of the applicable Award Agreement.

(v) During the twelve (12)-month period that begins on the first anniversary date of the termination of employment and ends on the second anniversary date, the Company's obligation to continue to pay you the Severance Benefit during such second twelve (12)-month period shall terminate thirty (30) days after you obtain full-time employment with another employer that provides an annualized base salary that is at least equal to 75% of the Base Salary being paid to you by the Company at the rate in effect on the date of termination;

(vi) During the two (2)-year period following the date of termination, you shall provide the Company with at least ten days written notice before the starting date of any employment, identifying the prospective employer and its affiliated companies and the job description, including a description of the proposed geographic market area associated with the new position. Upon request, you shall provide the Company with proof of your annualized base salary with your new employer so as to meet the obligations in subsection (v) above. You shall notify in writing any new employer of the existence of the restrictive covenants set forth in Section 5 of this Agreement prior to commencing such employment.

(vii) The obligation of the Company to continue to pay you the Severance Benefit for the period after the Noncompete Period (as defined in Section 5(a)) has expired and prior to the completion of the twenty-four (24) month period specified in (ii) above shall cease and be null and void effective upon your engaging in any conduct or activity that otherwise would have been prohibited under Section 5(a). (By way of illustration only, if you elect to engage in a Competitive Business within the Market Area (as those terms are defined in Section 5(e)) upon expiration of the one (1)-year Noncompete Period, the Company will not be obligated to continue to pay the Severance Benefit for the remaining balance of the twenty-four (24) month period specified in (ii) above.

The Release referenced in this Section 4(g) to be effective must be delivered by you to the Company no later than forty-five (45) days following your termination of employment and must not be revoked during the seven (7) days following such delivery. If such Release is not executed in a timely manner or is revoked, all such payments and benefits shall immediately cease and you shall be required to repay to the Company any such payments that have already been paid to you except for the Accrued Amounts.

(h) Nonrenewal of the Employment Period. In the event of your termination of employment following a Nonrenewal Notice by the Company as set forth in Section 2 of this Agreement, and except for the following adjustments set forth below to the Severance Benefit and Welfare Continuance Benefit, you will be entitled to the termination benefits provided for in Section 4(g), subject to your execution and delivery of the Release and its effectiveness:

(i) For a one (1)-year period following the date of termination, the Company shall continue to pay you your Base Salary at the rate in effect on the date of termination, such payments to be made on the same periodic dates as salary payments would have been made had your employment not been terminated, subject to compliance with Section 19 of this Agreement regarding the requirements of Section 409A of the Code; and

(ii) The Welfare Continuance Benefit will be an amount equal to the product of (x) the amount of the Company's monthly contribution pursuant to its current plan, or plans, in effect as of the date of termination of employment to provide group health insurance and certain related benefits made available to similarly situated officers of the Company, times (y) twelve (12). The Welfare Continuance Benefit will be paid to you in a lump sum cash payment within sixty (60) days after the date of your termination of employment, provided the Release has become irrevocable and subject to compliance with Section 19 of this Agreement regarding the requirements of Section 409A of the Code.

(i) Resignation of All Other Position. Effective upon the termination of your employment for any reason, you shall be deemed to have resigned from all positions that you hold as an officer or member of the board of directors (or a committee thereof) of the Company or its Affiliates.

(j) Regulatory Requirement. The Company shall not be required to make payment of, or provide any benefit under, this Section 4 to the extent such payment or benefit is prohibited by the regulations presently found at 12 C.F.R. Part 359 or to the extent that any other governmental approval for the payment or benefit that is required by law is not received.

5. Covenants.

(a) Noncompetition. You agree that during the Employment Period and for a one (1)-year period following the termination of your employment (subject to Section 5(d) below) for any reason, including resignation or retirement (the "Noncompete Period"), you will not directly or indirectly, as a principal, agent, employee, employer, investor, director, consultant, co-partner or in any other individual or representative capacity whatsoever, engage in a business that provides Competitive Services anywhere in the Market Area (as such terms are defined below) by performing services in any competitive capacity through holding the same or similar office or engaging in the same or similar activities to those which you held or performed on behalf of the Company and any of its Affiliates during the Employment Period. Notwithstanding the foregoing, you may purchase or otherwise acquire up to (but not more than) 1% of any class of securities of any business enterprise (but without otherwise participating in the activities of such enterprise) that provides Competitive Services in the Market Area and whose securities are listed on any national securities exchange or have been registered under Section 12 of the Securities Exchange Act of 1934.

(b) Non-solicitation of Customers. You agree that for a two (2)-year period following the termination of your employment for any reason, including resignation or retirement, you will not solicit, divert from the Company or its Affiliates, or transact business with any "Customer" of the Company with whom you had "Material Contact" during the last twenty-four (24) months of your employment or about whom you obtained information not known generally to the public while acting within the scope of your employment during the last twenty-four (24) months of your employment, if the purpose of such solicitation, diversion or transaction is to provide products or

services that are the same as or substantially similar to, and competitive with, those offered by the Company or its Affiliates during your employment and at the time your employment ends. For purposes of this subsection 5(b), "Material Contact" means that you personally communicated with the Customer, either orally or in writing, for the purpose of providing, offering to provide or assisting in providing products or services of the Company or its Affiliates; and "Customer" means (1) any Person to whom the Company or its Affiliates provided products or service in exchange for compensation or who otherwise had a depository or other contractual relationship with the Company or its Affiliates pursuant to which the Company or its Affiliates provided products or services to the Customer during the last twenty-four (24) months of your employment; or (2) any Person to whom you, while acting in the scope of your employment, offered the products or services of the Company or its Affiliates during the last twenty-four (24) months of your employment. The term "solicit" does not include advertisements in publications or media of general or industry-wide circulation not directed disproportionately to Customers of the Company. You acknowledge that, due to your relationship with the Company, you will develop, or have developed, special contacts and relationships with the Company's customers and that it would be unfair and harmful if you took advantage of these relationships.

(c) Non-Piracy of Employees. You further agree that for a two (2)-year period following the termination of your employment for any reason, including resignation or retirement, you will not, directly or indirectly: solicit, recruit, or hire (or attempt to solicit, recruit, or hire) or otherwise assist anyone in soliciting, recruiting, or hiring, any employee or independent contractor (which shall not include non-exclusive outside vendors) of the Company or its Affiliates who performed work for the Company or its Affiliates or who was otherwise engaged or employed with the Company or its Affiliates during the last six (6) months of your employment, and with whom you had "Material Contact." In addition, you shall not during your employment, encourage or solicit any employee or independent contractor (which shall not include non-exclusive outside vendors) of the Company or its Affiliates to leave their employment by or engagement with the Company or its Affiliates if the purpose is to perform services for a business engaged in providing Competitive Services. For purposes of this subsection 5(c), "Material Contact" means that you were aware of or communicated with the employee or independent contractor during the last twenty-four (24) months of your employment.

(d) Nonrenewal of the Agreement. Notwithstanding the foregoing, in the event the Company elects not to renew this Agreement in accordance with Section 2 and your employment is subsequently terminated after the expiration of the then current term, you will not be subject to the noncompetition provisions of Section 5(a) following the termination of your employment, unless you shall otherwise be entitled to receive payments from the Company as a result of your termination without Cause, the nonrenewal of the term of this Agreement, or for Good Reason pursuant to Sections 4(g) or 4(h) of this Agreement.

(e) Definitions. As used in this Agreement, the term "Competitive Services" means providing financial products and services that are the same as or substantially similar to those offered by the Company during the Employment Period and at the time the Employment Period ends, which includes offering one or more of the following products and services: depository accounts, consumer and commercial lending, banking, residential and commercial mortgage lending, cash management services, securities brokerage and asset management, trust and estate administration, and any other business in which the Company or its Affiliates are engaged and in which you are significantly engaged at the time of termination of your employment; the term "Market Area" means the area within a twenty-five (25) mile radius of any banking office or a loan production office (excluding for purposes of this Agreement an office providing only residential mortgage loans) that the Company has established and is continuing to operate at the time of termination of your employment; and the term "Person" means any person, partnership, corporation, company, group or other entity.

(f) Confidentiality. As an employee of the Company, you will have access to and may participate in the origination of non-public, proprietary and confidential information relating to the Company and its Affiliates and you acknowledge a fiduciary duty owed to the Company and its Affiliates not to disclose any such information. Confidential information may include, but is not limited to, trade secrets, customer lists and information, internal corporate planning, methods of marketing and operation, and other data or information of or concerning the Company and its Affiliates or their customers that is not generally known to the public or generally in the banking industry ("Confidential Information"). You agree that for the five (5)-year period following the termination of your employment for any reason, including resignation or retirement, you will not use or disclose to any third party any such Confidential Information, either directly or indirectly, except as may be authorized in writing specifically by the Company; provided, however that to the extent the information covered by this Section 5(f) is otherwise

protected by the law, such as a "trade secret," as defined by the Virginia Uniform Trade Secrets Act, or customer information protected by banking privacy laws, that information shall not be disclosed or used for however long the legal protections applicable to such information remain in effect

Nothing in this Agreement restricts or prohibits you or your counsel from initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before a self-regulatory authority or a governmental, law enforcement or other regulatory authority, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Congress, and any Office of Inspector General (collectively, the "Regulators"), from participating in any reporting of, investigation into, or proceeding regarding suspected violations of law, or from making other disclosures that are protected under or from receiving an award for information provided under the whistleblower provisions of state or federal law or regulation. You do not need the prior authorization of the Company to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide confidential information or documents containing confidential information to the Regulators, or make any such reports or disclosures to the Regulators. You are not required to notify the Company that you have engaged in such communications with the Regulators. You recognize and agree that, in connection with any such activity outlined above, you must inform the Regulators that the information you are providing is confidential.

Federal law provides certain protections to individuals who disclose a trade secret to their attorney, a court, or a government official in certain, confidential circumstances. Specifically, federal law provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret under either of the following conditions:

- Where the disclosure is made (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (b) solely for the purpose of reporting or investigating a suspected violation of law; or

- Where the disclosure is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

Federal law also provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order..

(g) Acknowledgment; Enforcement. The covenants contained in this Section 5 shall be construed and interpreted in any proceeding to permit their enforcement to the maximum extent permitted by law. You agree that the restrictions imposed herein are necessary for the reasonable and proper protection of the Company and its Affiliates, and that each and every one of the restrictions is reasonable in respect to length of time, geographic area and scope of prohibited activities, and that the restrictions are neither overly restrictive on your post-employment activity nor overly burdensome for you to abide by. You covenant that you will not make any contention to the contrary to any of the foregoing representations in the future and agree that you will be estopped to deny or contradict the truth or accuracy of these representations. If, however, the time, geographic and/or scope of activity restrictions set forth in Section 5 are found by an arbitrator or court to exceed the standards deemed enforceable, the arbitrator or court, as applicable, is empowered and directed to modify the restriction(s) to the extent necessary to make them enforceable, so long as applicable law allows such modifications. Notwithstanding anything to the contrary herein, nothing in this Agreement shall be construed to prohibit any activity that cannot reasonably be construed to further in any meaningful way any actual or potential competition against the Company or an Affiliate.

(h) Enforcement. You acknowledge that damages at law would not be a measurable or an adequate remedy for breach of the covenants contained in this Section 5 and, accordingly, you agree to submit to the equitable jurisdiction of any court of competent jurisdiction (subject to the venue provisions described below) in connection with any action to enjoin you from violating any such covenants. If the Company is successful in whole or in part in any legal, equitable, or arbitration action against you or brought by you in connection with the enforcement of the covenants included in this Section 5, the Company shall be entitled to payment of all costs, including reasonable attorneys' fees, from you. If, on the other hand, it is finally determined by a court of competent jurisdiction that a

breach or threatened breach did not occur under Section 5 of this Agreement, the Company shall reimburse you for reasonable legal fees incurred to defend the claim. All the provisions of this Section 5 will survive termination and expiration of this Agreement.

6. Change in Control of the Company. Provided the Amended and Restated Management Continuity Agreement, dated as of the same date as this Agreement, between the Company and you (the "Management Continuity Agreement") that provides for certain severance payments and benefits in connection with the termination of your employment without "cause" or "good reason" following a "change in control" transaction (as those terms are defined in the Management Continuity Agreement), continues to remain in effect, in the event there is a "change in control" of the Company this Agreement will terminate and be of no further force and effect, except as provided below, and any termination benefits will be determined and paid solely pursuant to such Management Continuity Agreement.

Notwithstanding anything to the contrary contained in this Agreement, in the event of a change in control of the Company, the restrictions imposed by paragraph (a) of Section 5 shall not apply to you after you cease to be employed by the Company, unless you are entitled to receive the severance benefits provided for in the Management Continuity Agreement in which case the restrictions imposed by Section 5(a) of this Agreement will continue to apply. The non-solicitation of customers and non-piracy restrictions in Sections 5(b) and 5(c) and the confidentiality provisions in Section 5(f) will remain in full force and effect following a change in control under all circumstances.

7. Arbitration/Venue.

(a) Except as provided in Section 7(c) below, both the Company and you acknowledge and agree that any dispute or controversy arising out of, relating to, or in connection with your employment or this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof, shall be settled by binding arbitration unless otherwise required by law, to be held in Richmond, Virginia in accordance with the National Rules for the Resolution of Employment Disputes then in effect of the American Arbitration Association. The arbitrator may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court having jurisdiction. The party against whom the arbitrator(s) shall render an award shall pay the other party's reasonable attorneys' fees and other reasonable costs and expenses in connection with the enforcement of its rights under this Agreement (including the enforcement of any arbitration award in court), unless and to the extent the arbitrator(s) shall determine that, under the circumstances, recovery by the prevailing party of all or a part of any such fees and costs and expenses would be unjust.

(b) The arbitrator(s) shall apply Virginia law to the merits of any dispute or claim, without reference to rules of conflicts of law.

(c) The parties may apply to any court of competent jurisdiction for a temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this arbitration agreement and without abridgment of the powers of the arbitrator. To the extent any dispute between the parties is or becomes part of a judicial proceeding, the exclusive venue for any such proceeding shall be the Circuit Court of Henrico County, Virginia or the federal district court in Richmond, Virginia, selected at the option of the Company and to which you waive all objections and consent to personal jurisdiction.

(d) YOU HEREBY CONFIRM YOU HAVE READ AND UNDERSTAND THIS SECTION 7, WHICH DISCUSSES ARBITRATION, AND UNDERSTAND THAT BY SIGNING THIS AGREEMENT, YOU AGREE, EXCEPT AS PROVIDED IN SECTION 7(c), TO SUBMIT ANY CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH YOUR EMPLOYMENT, THIS AGREEMENT, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE, BREACH OR TERMINATION THEREOF TO BINDING ARBITRATION, UNLESS OTHERWISE REQUIRED BY LAW, AND THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF YOUR RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF YOUR RELATIONSHIP WITH THE COMPANY.

8. Mitigation; Exclusivity of Benefits.

(a) You shall not be required to mitigate the amount of any benefits to be paid to you hereunder by seeking other employment or otherwise.

(b) The specific arrangements referred to herein are not intended to exclude any other benefits which may be available to you upon a termination of employment with the Company pursuant to employee benefit plans of the Company or otherwise.

9. Withholding. All payments required to be made by the Company hereunder to you shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine should be withheld pursuant to any applicable law or regulation.

10. Assignability. The Company may assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any corporation, company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case such corporation, company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a party hereto, to the extent that any such transaction does not trigger the operation of Section 6 above. You may not assign or transfer this Agreement or any rights or obligations hereunder.

11. Notices. For the purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or mailed by certified or registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below:

To the Company: Chairman of the Board
Atlantic Union Bankshares Corporation
1051 East Cary Street
Suite 1200
Richmond, Virginia 23219

And at the Chairman's home address as shown on the records of the Company.

To You: Robert M. Gorman

At your home address as shown on the records of the Company.

12. Amendment; Waiver. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by you and such officer or officers as may be specifically designated by the Board of Directors of Bankshares and the Bank to sign on their behalf. No waiver by any party hereto at any time of any breach by any other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

13. Entire Agreement. This Agreement, together with the Management Continuity Agreement, constitute the entire agreement between the parties with respect to the subject matter hereof and no agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth or expressly incorporated in this Agreement or in the Management Continuity Agreement.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without reference to its conflicts of laws principles.

15. Nature of Obligations. Nothing contained herein shall create or require the Company to create a trust of any kind to fund any benefits which may be payable hereunder, and to the extent that you acquire a right to

receive benefits from the Company hereunder, such right shall be no greater than the right of any unsecured general creditor of the Company.

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

17. Validity/Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect. Should any part of this Agreement be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in full force and effect as if the Agreement had been executed without the illegal, invalid or unenforceable portion.

18. Counterparts; Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. In the event that any signature is executed or delivered by means of an electronic signature (such as DocuSign), facsimile or scanned pages via electronic mail, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such electronic signature, facsimile or scanned pages were the original signed version thereof delivered in person.

19. Deferred Compensation Omnibus Provision.

(a) It is intended that payments and benefits under this Agreement that are considered to be deferred compensation subject to Section 409A of the Code, shall be provided and paid in a manner, and at such time and in such form, as complies with the applicable requirements of Section 409A of the Code and related regulations and guidance to avoid the unfavorable tax consequences provided for therein for non- compliance. Notwithstanding any other provision of this Agreement, the Company's Compensation Committee or Board of Directors is authorized to amend this Agreement, to amend or void any election made by you under this Agreement and/or to delay the payment of any monies and/or provision of any benefits in such manner as may be determined by it to be necessary or appropriate to comply with Section 409A of the Code. For purposes of this Agreement, all rights to payments and benefits hereunder shall be treated as rights to receive a series of separate payments and benefits to the fullest extent allowed by Section 409A of the Code.

(b) If you are deemed on the date of separation of service with the Company to be a "specified employee," as defined in Section 409A(a)(2)(B) of the Code, then any payments or arrangements due upon a termination of your employment under any arrangement that constitutes a "nonqualified deferral of compensation" within the meaning of Section 409A and which do not otherwise qualify under the exemptions under Treas. Regs. Section 1.409A-1 (including without limitation, the short-term deferral exemption or the permitted payments under Treas. Regs. Section 1.409A-1(b)(9)(iii)(A)), shall not be made or provided prior to the earlier of (i) the date which is six (6) months after your "separation from service" (as such term is defined in Section 409A and the regulations and other published guidance thereunder) for any reason other than death, and (ii) the date of your death (the "409A Deferral Period")..

(c) In the case of benefits that are subject to Section 409A of the Code and not deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-1(b)(9)(iii), you may pay the cost of benefit coverage, and thereby obtain benefits, during the 409A Deferral Period and then be reimbursed by the Company when the 409A Deferral Period ends. Not later than ten (10) days after the end of the 409A Deferral Period, all payments delayed pursuant to this Section 19 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid or reimbursed to you in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided as originally scheduled.

(d) It is intended that each installment of the severance payments and benefits provided under this Agreement shall be treated as a separate "payment" for purposes of Section 409A of the Code. Neither you nor the Company shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Section 409A of the Code.

(e) "Termination of employment" shall have the same meaning as "separation of service," as that phrase is defined in Section 409A of the Code (taking into account all rules and presumptions provided for in the Section 409A regulations).

(f) When, if ever, a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within sixty (60) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(g) Notwithstanding any of the provisions of this Agreement, neither the Company the Company's affiliates, nor any of the Company's officers, directors, employees, agents or representatives shall be liable to you if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A of the Code otherwise fails to comply with, or be exempt from, the requirements of Section 409A of the Code.

20. Clawback. You agree that any incentive based compensation or award that you receive, or have received, from the Company or its Affiliates under this Agreement or otherwise, will be subject to clawback by the Company as may be required by applicable law or stock exchange listing requirement and on such basis as the Board of Directors determines, but in no event with a look-back period of more than three (3) years, unless required by applicable law or stock exchange listing requirement.

21. Documents. All documents, records, tapes and other media of any kind or description relating to the business of the Company or its Affiliates (the "Documents"), whether or not prepared by you, shall be the sole and exclusive property of the Company. The Documents, and any copies, shall be returned to the Company upon your termination of employment for any reason or at such earlier time as the Board of Directors or its designees may specify.

22. Non-disparagement. Subject to the provision in Section 5(f) relating to communications to Regulators, you will not at any time during or after the Employment Period make, publish or communicate to any person or entity or in any public forum any defamatory or disparaging remarks, comments or statements concerning the Company or its business, or any of its directors, employees, customers, and other associated third parties. This Section 22 does not, in any way, restrict or impede you from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by law, regulation or order. You shall promptly provide written notice of any such order to the Company. The Company will cause its officers and directors to refrain from making, publishing or communicating, at any time during or after the Employment Period, to any person or entity or in any public forum any defamatory or disparaging remarks, comments or statements concerning you.

23. Stock Ownership Requirements. During the Employment Period, you will be expected to maintain ownership of Company common stock in accordance with the guidelines established by the Board of Directors from time to time.

24. No Construction Against Any Party. This Agreement is the product of informed negotiations between parties. If any part of this Agreement is deemed to be unclear or ambiguous, it shall be construed as if it were drafted jointly by all parties. The parties agree neither party was in a superior bargaining position regarding the substantive terms of this Agreement.

25. Interpretation. Words importing any gender include all genders. Words importing the singular form shall include the plural and vice versa. The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Agreement. Any captions, titles or headings preceding the text of any article, section or subsection herein are solely for convenience of reference and shall not constitute part of this Agreement or affect its meaning, construction or effect. Any reference to "days" shall refer to calendar days unless specifically provided otherwise.

(Signatures appear on the following page)

IN WITNESS WHEREOF, this Agreement has been executed by you and by a duly authorized officer of each of Bankshares and the Bank as of the date first above written.

ATLANTIC UNION BANKSHARES CORPORATION

By: /s/ John Asbury
John C. Asbury
Chief Executive Officer

ATLANTIC UNION BANK

By: /s/ John Asbury
John C. Asbury
Chief Executive Officer

EXECUTIVE:

/s/ Robert M. Gorman
Robert M. Gorman

EXHIBIT 1

BENEFICIARY DESIGNATION

I hereby designate the following person(s) as a beneficiary for the purposes of Section 6(b) to the extent of the percentage interest listed next to their name:

NAME	PERCENTAGE INTEREST
TOTAL (CANNOT EXCEED 100%)	

Exhibit 10.5.1

FIRST AMENDMENT TO

EXECUTIVE DEFERRED COMPENSATION PLAN
FOR UNION BANKSHARES
(As Restated Effective January 1, 2018)

Pursuant to subparagraph 14.1(b), the Administrator hereby adopts the following amendment to the Virginia Bankers Association Model Non-Qualified Deferred Compensation Plan for Executives (the companion document to the Adoption Agreement for the Executive Deferred Compensation Plan for Union Bankshares):

1. A new subparagraph 9.4(d) is added to the Plan to clarify payment rules if death occurs after commencement of periodic installment, to read as follows effective as of January 1, 2018:

9.4(d) In the event that a Participant who has begun to receive periodic installment payments dies, the amounts of any periodic installments remaining unpaid shall be paid to his Beneficiary over the remaining term certain for such installments.

This First Amendment is adopted by the Plan Sponsor as Administrator on this 20th day of August, 2018.

Union Bankshares
Plan Sponsor

By: /s/ Loreen Lagatta (SEAL)
Its: EVP and Chief Human Resource Officer

Attest:

/s/ Rachael Lape
Its: General Counsel and SVP

Exhibit 10.5.2

MODEL NON-QUALIFIED DEFERRED COMPENSATION PLAN FOR EXECUTIVES
(As Restated Effective January 1, 2018)

162(M) AMENDMENT

The VBA Benefits Corporation, pursuant to its delegated authority from the Plan Sponsor (as defined in the applicable Adoption Agreement), has the authority to adopt amendments to the Virginia Bankers Association Model Non- Qualified Deferred Compensation Plan for Executives adopted by the Plan Sponsor (the "Plan") (the companion document to the Adoption Agreement for the Non-Qualified Deferred Compensation Plan for Executives) in order maintain compliance with applicable laws. Pursuant to subparagraph 14.1(a) of the Plan and the applicable Participation Agreement, the VBA Benefits Corporation Board of Directors, on behalf of the Plan Sponsor, hereby adopts the following amendment to the Plan:

1. Effective January 1, 2020, subparagraph 9.6(c) of the Plan is amended to read as follows:

9.6(c) Notwithstanding any other provision of the Plan, if the Administrator reasonably anticipates that, if a benefit payment (including any withdrawal pursuant to ARTICLE X) were made as scheduled under the Plan it would result in a loss of the Employer's tax deduction due to the application of Section 162(m) of the Code, the Administrator has the discretion to delay and pay such payment during the Participant's first taxable year in which the Employer or Administrator reasonably anticipates, or should reasonably anticipate, that the Employer's tax deduction will not be limited or eliminated by the application of Section 162(m) of the Code, or such earlier time required by Section 409A, in all events in accordance with Treas. Reg. Section 1.409A-2(b)(7)(i); provided that, except as provided otherwise below and to the extent required under Section 409A, all scheduled payments to the Participant that could be delayed in accordance with Treas. Reg. Section 1.409A-2(b)(7)(i) are also delayed. Notwithstanding the foregoing, except as provided otherwise below and to the extent required under Section 409A, for any benefit payment that was required to be delayed by the Administrator prior to December 31, 2020, and that the Administrator reasonably anticipates would have been required to be paid by December 31, 2020 but for such required delay, then such payment shall be made no later than December 31, 2020.

Notwithstanding the foregoing paragraph, the Administrator may delay the scheduled payment of "162(m) grandfathered amounts" (with such 162(m) grandfathered amounts determined in accordance with applicable guidance under Section 162(m) of the Code) in accordance with Treas. Reg. Section 1.409A-2(b)(7)(i), without delaying the payment of non-162(m) grandfathered amounts, and the delay of the 162(m) grandfathered amounts shall not be treated as a subsequent deferral election under Section 409A.

The provisions of this Section 9.6(c) are intended to comply with the applicable provisions of, and be subject to the relief provided in, the preamble of the proposed regulations under Section 162(m) of the Code issued on December 20, 2019, including but not limited to the relief that the changes made by this Section 9.6(c) shall not result in an impermissible acceleration of payment under Treas. Reg. Section 1.409A-3(j), and shall not be considered a material modification for purposes of the grandfather rule under the amended Section 162(m) of the Code, and this Section 9.6(c) shall be interpreted and applied in a manner to comply with the requirements of Section 409A and any applicable guidance issued thereunder.

IN WITNESS WHEREOF, this amendment is hereby adopted on this 13 day of November, 2020.

/s/ Laurie Milligan
VBA Benefits Corporation

By Laurie Milligan
Its COO

Exhibit 10.6.1

FIRST AMENDMENT TO

DIRECTORS DEFERRED COMPENSATION PLAN
FOR UNION BANKSHARES
(As Restated Effective January 1, 2018)

Pursuant to subparagraph 12.1(b), the Administrator hereby adopts the following amendment to the Virginia Bankers Association Model Non-Qualified Deferred Compensation Plan for Directors (the companion document to the Adoption Agreement for the Directors Deferred Compensation Plan for Union Bankshares):

1. A new subparagraph 7.4(d) is added to the Plan to clarify payment rules if death occurs after commencement of periodic installment, to read as follows effective as of January 1, 2018:

7.4(d) In the event that a Participant who has begun to receive periodic installment payments dies, the amounts of any periodic installments remaining unpaid shall be paid to his Beneficiary over the remaining term certain for such installments.

This First Amendment is adopted by the Plan Sponsor as Administrator on this 20th day of August, 2018.

Union Bankshares
Plan Sponsor

By: /s/ Loreen Lagatta (SEAL)
Its: EVP and Chief Human Resource Officer

Attest:

/s/ Rachael Lape
Its: General Counsel and SVP

Exhibit 10.8

ATLANTIC UNION BANKSHARES CORPORATION

EXECUTIVE SEVERANCE PLAN

SUMMARY PLAN DESCRIPTION
AND PLAN DOCUMENT

This Summary Plan Description sets forth and describes the benefits under the Atlantic Union Bankshares Corporation Executive Severance Plan (the "Plan"). The terms of the Plan and the Summary Plan Description of the Plan are combined in this single document. Atlantic Union Bankshares Corporation has established the Plan to provide benefits to certain executives in the event of their termination of employment under certain circumstances as described in the Plan. The Plan was originally adopted by the Board of Directors of Atlantic Union Bankshares Corporation (the "Board") on December 10, 2015 and became effective on January 1, 2016, and has been amended and restated from time to time. This amendment and restatement of the Plan is effective November 18, 2021.

1. **Purpose**.

The purpose of the Plan is to assist the Company (as defined below) in recruiting and retaining executives and to provide financial assistance and additional protection to eligible executives of the Company whose employment is terminated under certain circumstances. The Plan is not intended to provide benefits for executives who voluntarily terminate employment (except in limited circumstances when the termination is for Good Reason in connection with a Change in Control, as described below) or for executives whose employment is terminated because of reasons of retirement, death or disability.

2. **Plan Administrator**.

(a) The Company is the Plan Administrator. The Company also has been designated as the Plan's agent for service of legal process. The Company EIN No. is 54-1598552. The Plan number is 511. The Plan Year is the calendar year.

(b) The Company may adopt such rules, regulations, and bylaws and make such decisions as it deems necessary or desirable for the proper administration of the Plan. The Company has sole discretionary authority to resolve disputed questions of fact, to determine eligibility for benefits, to interpret and apply the provisions of the Plan, to resolve any inconsistencies and ambiguities, and to make the final decisions about payment of Plan benefits. The determinations and interpretations of the Company shall be conclusive and binding upon all persons affected, and there shall be no appeal from any ruling by the Company that is within its authority, except as provided pursuant to Section 7 of the Plan. When making a determination or calculation, the Company shall be entitled to rely upon information furnished by its employees and agents. The Company may delegate any of its duties, rights or responsibilities as Plan Administrator under the Plan to an individual or a committee of its choosing and at its discretion.

3. **Definitions**.

In addition to the words and phrases defined in other sections of the Plan, the following words and phrases shall be defined as follows for purposes of the Plan:

(a) Cause. Only the following shall constitute Cause as it relates to a termination of employment covered under the Plan and as determined by the Company in its discretion:

(i) willful failure to perform any of the duties and responsibilities required of a position (other than by reason of disability) or willful failure to follow reasonable instructions or policies of the Company, after being advised in writing of such failure and being given a reasonable opportunity and period (as determined by the Company in its discretion) to remedy such failure;

(ii) breach of fiduciary duties owed to the Company;

(iii) conviction of or entering of a guilty plea or a plea of no contest with respect to a felony or a crime of moral turpitude or commission of an act of misappropriation or embezzlement of funds or property of the Company;

(iv) the breach of a material term of the Plan or violation in any material respect of any code or standard of conduct generally applicable to employees of the Company, after being advised in writing of such breach or violation and being given a reasonable opportunity and period (as determined by the Company in its discretion) to remedy such breach or violation;

(v) fraud or dishonesty with respect to Company; or

(vi) the willful engaging in conduct that, if it became known by any regulatory or governmental agency or the public, is reasonably likely to result in material injury to the Company, monetarily or otherwise.

(b) Change in Control. For purposes of the Plan, a "Change in Control" means:

(i) The acquisition by any Person of beneficial ownership of twenty percent (20%) or more of the then outstanding shares of common stock of the Company, provided that an acquisition directly from Atlantic Union Bankshares Corporation (excluding an acquisition by virtue of the exercise of a conversion privilege) shall not constitute a Change in Control; or

(ii) Individuals who constitute the Board on January 1, 2018 (the "Incumbent Board") cease during a twelve-month period to constitute a majority of the Board, provided that any director whose nomination was approved by a vote of at least two-thirds of the directors then comprising the Incumbent Board will be considered a member of the Incumbent Board, but excluding any such

individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the members of the Board; or

(iii) Consummation by Atlantic Union Bankshares Corporation of a reorganization, merger, share exchange or consolidation (a "Reorganization"), provided that a Reorganization will not constitute a Change in Control if, upon consummation of the Reorganization, each of the following conditions is satisfied;

(A) More than fifty percent (50%) of the then outstanding shares of common stock of the corporation resulting from the Reorganization is beneficially owned by all or substantially all of the former shareholders of Atlantic Union Bankshares Corporation in substantially the same proportions as their ownership existed in Atlantic Union Bankshares Corporation immediately prior to the Reorganization; and

(B) No person beneficially owns twenty percent (20%) or more of either (1) the then outstanding shares of common stock of the corporation resulting from the Reorganization or (2) the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors; and

(C) At least a majority of the members of the board of directors of the corporation resulting from the Reorganization were members of the Incumbent Board at the time of the execution of the initial agreement providing for the Reorganization.

(iv) Approval by the shareholders of Atlantic Union Bankshares Corporation of a complete liquidation or dissolution of Atlantic Union Bankshares Corporation, or the consummation of a sale or other disposition of all or substantially all of the assets of Atlantic Union Bankshares Corporation.

(v) For purposes of this Plan, "Person" means any individual, entity or group (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934 (the "Exchange Act"), other than an employee benefit plan (or related trust) sponsored or maintained by Atlantic Union Bankshares Corporation or any affiliated company, and "beneficial ownership" has the meaning given the term in Rule 13d-3 under the Exchange Act.

(c) Code. The Internal Revenue Code of 1986, as amended.

(d) Company. Atlantic Union Bankshares Corporation and any of its affiliates, unless the context clearly indicates otherwise.

(e) Effective Date. November 18, 2021 or, if later, the date at which an Executive is listed on Schedule A to the Plan.

(f) ERISA. The Employee Retirement Income Security Act of 1974.

(g) Executive. A person employed by the Company in a key or critical position as recommended by the Chief Executive Officer, approved by the Compensation Committee of the Board and listed on Schedule A to the Plan, provided that such Schedule A may be amended from time to time by the Compensation Committee of the Board to add or remove positions in accordance with Section 8(a) of the Plan.

(h) Good Reason. For purposes of the Plan, "Good Reason" means the following conditions arising without the consent of the Executive:

(i) A material diminution in the Executive's base compensation;

(ii) A material diminution in the Executive's authority, duties or responsibilities;

(iii) A material diminution in the change in the geographic location at which the Executive must perform services; or

(iv) Any other action or inaction of the Company that constitutes a material breach of the terms or provisions of the Plan.

Notwithstanding the above, and without limitation, "Good Reason" shall not include any resignation by the Executive where Cause for the Executive's termination by the Company exists. The Executive must give the Company notice of any event or condition that would constitute "Good Reason" within ninety (90) days of the event or condition which would constitute "Good Reason," and upon the receipt of such notice the Company shall have thirty (30) days to remedy such event or condition. If such event or condition is not remedied within such thirty (30)-day period, any termination of employment by the Executive for "Good Reason" must occur within thirty (30) days after the period for remedying such condition or event has expired.

(i) Participant. An Executive who is eligible to receive Severance Pay under Section 4 of the Plan.

(j) Severance Pay. Payments made to a Participant under Section 5 of the Plan for periods beyond termination of employment.

4. **Eligibility**.

The Plan makes Severance Pay available only to Executives whose employment with the Company is terminated solely due to one of the below circumstances set forth in Sections 4(a) or 4(b) and subject to the exceptions set forth in Section 4(c) below and any other limitations set forth in the Plan, as determined by the Plan Administrator in its sole discretion. For the avoidance of

doubt, an Executive whose employment is terminated under Section 4(b) will not be treated as having a termination under Section 4(a).

(a) Termination Without Cause Not in Connection With a Change in Control. If the Executive's employment is terminated by the Company at any time without Cause, the Company will provide written notice to the Executive at least thirty (30) days prior to the termination date. In the event of termination without Cause not in connection with a Change in Control, the Executive shall become a Participant and shall be entitled to the Severance Pay specified in Sections 5(a)(i) and 5(b) of the Plan, subject to the satisfaction of the requirements set forth in Section 4(d) and any other Plan limitations.

(b) Termination Without Cause or For Good Reason in Connection With a Change in Control. Employment is terminated in connection with a Change in Control only if such termination occurs within a three (3) year period following the Change in Control. If the Executive's employment is terminated by the Company without Cause or by the Executive for Good Reason within three (3) years following a Change in Control, the Executive shall become a Participant and shall be entitled to the Severance Pay specified in Section 5(a)(ii)(A) or (B) and Section 5(b) of the Plan, subject to the satisfaction of the requirements set forth in Section 4(d) and any other Plan limitations.

(c) No Eligibility. Notwithstanding the above, Severance Pay will not be paid under the Plan to an Executive: (i) who is involuntarily terminated following the Executive's refusal of an offer of reassignment with the Company to another job or position that is reasonably comparable to the Executive's prior position, as determined by the Company, at a location that is within thirty-five (35) miles of the Executive's prior position; or (ii) for whom the Company has grounds to terminate for Cause or who is involuntarily terminated by the Company for Cause; or (iii) who voluntarily terminates employment for any reason (other than Good Reason in connection with a Change in Control as set forth in Section 4(b) above); or (iv) whose employment is terminated due to his retirement, death or disability; or (v) who is a party to an agreement with the Company or is eligible to participate in another plan of the Company which provides severance or severance type benefits upon a termination of employment. In no event shall an Executive be entitled to duplicate severance benefits in connection with a termination of employment. For example, an Executive who is eligible to receive benefits under the Plan will not be eligible to receive severance pay under the Atlantic Union Bankshares Corporation Severance Pay Plan as in effect as of May 20, 2019 and as amended from time to time. The obligation of the Company to make payments under the Plan shall be expressly conditioned upon the Executive not receiving duplicate benefits.

(d) Release of Claims and Non-Solicitation Agreement. Notwithstanding any other provision of the Plan, Severance Pay provided under Sections 5(a)(i) or 5(a)(ii), as applicable, and 5(b) below will only be paid if the Executive signs, submits and does not revoke a Release of Claims & Non-Solicitation Agreement in the form provided by the Company (the "Agreement"). The Agreement will be provided no later than the date of termination of employment and must be signed and returned within forty-five (45) days. If the Agreement does not become irrevocable before the sixtieth (60th) day following termination of employment, then no Severance Pay provided under Sections 5(a) and 5(b) shall be paid and any rights thereto shall be forfeited.

5. **Severance Pay.**

A Participant whose employment terminates under circumstances described in Sections 4(a) or 4(b) of the Plan shall be entitled to receive the following Severance Pay, subject to the eligibility requirements in Section 4 (including the release requirement in Section 4(d)).

(a) Lump Sum Severance Payment. The Participant will be paid in one lump sum within sixty (60) days of the Participant's termination of employment an amount as defined below under either Section 5(a)(i) or 5(a)(ii)(A) or (B), less applicable withholdings. Under no circumstances will a Participant be entitled to Severance Pay under both Sections 5(a)(i) and 5(a)(ii) or under both Section 5(a)(ii)(A) and (B).

(i) For a Participant whose employment terminates under Section 4(a), an amount equal to (A) the Participant's annualized base salary in effect on the date of termination, plus (B) the product of the annual incentive bonus paid or payable to the Participant, including by reason of deferral, for the most recently completed year (or, if an incentive payment was not paid because an incentive plan was not yet in place, an amount approved by the Compensation Committee of the Board) and a fraction, the numerator of which is the number of days in the current year through the date of termination of employment and the denominator of which is 365, plus (C) twelve (12) times the monthly rate of the Company subsidy for health and dental plans for active employees in effect for the Participant on the date of termination.

(ii) For a Participant whose employment terminates under Section 4(b), an amount equal to:

(A) for a Participant listed as Tier 1 on Schedule A,

1. the product of two times the Participant's (y) annualized base salary as in effect on the date of termination plus (z) highest annual incentive bonus paid or payable, including by reason of deferral, for the two most recently completed years; plus

2. the product of twenty-four (24) times the monthly rate of the Company subsidy for health and dental plans for active employees in effect for the Participant on the date of termination; and

(B) for a Participant listed as Tier 2 on Schedule A,

1. the product of one times the Participant's (y) annualized base salary in effect on the date of termination plus (z) the highest annual incentive bonus paid or payable, including by reason of deferral, for the two most recently completed years; plus

2. the product of twelve (12) times the monthly rate of the Company subsidy for health and dental plans for active employees in effect for the Participant on the date of termination.

(b) Outplacement Services. The Company will provide outplacement services for the Participant for twelve (12) months following termination of employment. Services will be provided according to Company guidelines in existence at the time of termination.

(c) Non-Cash Incentives. Any unvested equity awards, including but not limited to restricted stock awards, performance share awards, and stock options, previously awarded to a Participant will be subject to the terms and conditions as set forth in any award agreement or to the extent no award agreement exists then the terms of the stock incentive plan under which the awards were granted.

(d) Accrued Obligations. Any earned but unpaid obligations under any other benefit plan of the Company, to the extent payable thereunder, will be paid at the time and the form provided thereunder. For the avoidance of any doubt, the Company will pay to the Participant any earned, but unpaid annual incentive compensation for any year ending prior to the year in which the termination of employment occurs, payable in accordance with the terms of, and at the time provided under, the applicable annual incentive compensation plan, but the Company will not pay any annual incentive compensation for the year during which the termination of employment occurs unless the applicable annual incentive compensation plan specifically provides that such a bonus will be paid.

(e) Withholding. Normal federal and state withholding taxes will apply to all payments.

6. **Section 409A**.

(a) It is intended that the payments and the provision of all benefits under the Plan are to be exempt from the requirements of Section 409A of the Code and the Plan shall be interpreted in a manner as to comply with such exemption.

(b) To the extent any payment or provision of any benefit is considered to be deferred compensation subject to Section 409A of the Code, such payment or benefit shall be provided and paid in a manner, and at such time and in such form, as complies with the applicable requirements of Section 409A of the Code to avoid the unfavorable tax consequences provided for therein for non-compliance. If any payment or provision of any benefit under the Plan to an Participant is considered to be a substitute for any payment or benefit subject to Section 409A of the Code previously provided for under another agreement or plan of the Company, then such payment or benefit shall be provided and paid in a manner, and at such time and in such form, as provided under such prior plan or agreement, to the extent required under Section 409A of the Code.

(c) If the Participant is deemed on the date of separation of service with the Company to be a "specified employee," as defined in Section 409A(a)(2)(B) of the Code, then any payment or provision of any benefit under this Agreement that is considered deferred compensation subject to Section 409A of the Code shall not be made or provided prior to the earlier of (A) the expiration of the six-month period measured from the date of separation of service or (B) the date of the Participant's death.

(d) To the extent any payment or provision of any benefit under this Agreement is considered deferred compensation subject to Section 409A of the Code with regard to the payment of such payment or benefit, a "termination of employment" shall have the same meaning as "separation of service," as that phrase is defined in Section 409A of the Code (taking into account all rules and presumptions provided for in the Section 409A regulations).

(e) If under the Plan, an amount is to be paid in two or more installments, for purposes of Section 409A of the Code, each installment shall be treated as a separate payment. When, if ever, a payment under the Plan specifies a payment period with reference to a number of days (e.g., "payment shall be made within sixty (60) days following termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(f) Neither the Company, the Company's affiliates, nor any of the Company's officers, directors, employees, agents or representatives shall be liable to the Participant if any amounts payable pursuant to this Plan or otherwise become subject to any additional tax, interest or penalties as a result of the application of Section 409A of the Code.

7. **Claims**.

(a) All claims for benefits should be submitted in writing to the Plan Administrator within ninety (90) days of the date as of which the Participant's employment was terminated. The Plan Administrator will conduct a full and fair review of the claim for benefits. The Plan Administrator will deliver to the Participant or beneficiary (the "Claimant") a written decision on that claim within ninety (90) days after the receipt of the request for review, except if there are special circumstances (such as the need to hold a hearing) requiring an extension of time for processing, the ninety (90)-day period may be extended up to one hundred eighty (180) days. If the Plan Administrator determines that an extension of time for processing is required, the Plan Administrator will furnish written or electronic notice of the extension to the Claimant before the end of the initial ninety (90)-day period, which notice will describe the special circumstances necessitating the additional time and date the Plan Administrator expects to render its decision on the claim. In the event of the denial of a claim, the Plan Administrator will provide notice to the Claimant including the specific reasons for the denial, specific references to the Plan provision(s) upon which the denial is based, description of any information or material information necessary for the Claimant to perfect his claim and reason why such material or information is necessary, and the time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review.

(b) Any Claimant whose claim is denied shall have the right to request, in writing directed to the Plan Administrator, the review of such denial within sixty (60) days of receipt of written or electronic notice of denial. The Claimant will be provided upon request and free of

charge reasonable access to and copies of all documents, records and other information relevant to the Claimant's claim for benefits. Any review requested by the Claimant of a determination by the Plan Administrator shall take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. The Plan Administrator will deliver to the Participant or beneficiary a written decision on that claim within 60 days after the receipt of the request for review, except if there are special circumstances (such as the need to hold a hearing) requiring an extension of time for processing, the sixty (60)-day period may be extended up to one hundred twenty (120) days. Any such notice of the extension will be provided to the Claimant before the end of the initial sixty (60)-day period and will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator expects to render its decision on review. The decision on review shall include specific reasons for the decision, written in a manner calculated to be understood by the Claimant and with specific references to the relevant Plan provisions on which the decision is based. The decision on review also will include a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the Claimant's claim for benefits and a statement of the Claimant's right to bring an action under Section 502(a) of ERISA. A document, record or other information is "relevant" to a claim if it was relied upon in making the benefit determination, was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record, or other information was relied upon in making the benefit determination, and demonstrates compliance with the administrative processes and safeguards required in making the benefit determination. In no event shall a Claimant be entitled to challenge a decision of the Plan Administrator, in court or in any other administrative proceeding until the claim procedures provided herein are exhausted. Any legal action challenging a final denial of benefits must be brought within one hundred eighty (180) days of the issuance of the final denial decision.

8. **Miscellaneous**.

(a) The Company, with the approval of its Board (or the Compensation Committee of the Board, in accordance with the Company's bylaws), has the right to amend, modify or terminate the Plan, including the attached Schedule A, at any time if it determines that it is necessary or desirable to do so. No amendment, modification or termination of the Plan shall adversely affect Severance Pay payments that have been paid or have begun to be paid.

(b) The Plan is a welfare benefit plan the funds for which are provided by the Company as benefits are paid. There is no separate trust or assets to pay benefits. Executives do not contribute to the benefits under the Plan. Executives do not have a vested interest in their benefits under the Plan.

(c) Except as required by applicable law, Participants may not assign to anyone else their rights to receive any payment under the Plan and any attempt to do so shall be null and void and of no effect, and a Participant's Plan benefit is not subject to attachment or other legal or equitable process.

(d) Nothing in the Plan shall be construed as creating any contract of employment between the Company and any Participant, including any contract for employment for any specific

duration, nor shall it limit the right of the Company to terminate any Participant's employment at any time for any reason whatsoever.

(e) Whenever the context so admits, the use of the masculine gender shall be deemed to include the feminine and vice versa, either gender shall be deemed to include the neuter and vice versa; and the use of the singular shall be deemed to include the plural and vice versa. Section headings are used herein for convenience of reference only and shall not affect the meaning of any provision of the Plan.

(f) The Plan will be construed in accordance with and governed by the laws of the Commonwealth of Virginia to the extent such laws are not otherwise superseded by the laws of the United States.

(g) If any provision of the Plan shall be held illegal or invalid for any reason, said illegality shall not affect the remaining provisions of the Plan, but the Plan shall be constructed and enforced as if said illegal and invalid provision had never been included herein.

9. **Participant's Rights**.

(a) As a Participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Participants shall be entitled to:

(i) Examine, without charge, at the Plan Administrator's office and at other specified locations, all documents governing the Plan, and a copy of the latest annual report (Form 5500 series), if required to be filed by the Plan, with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

(ii) Obtain, upon written request to the Plan Administrator, copies of all Plan documents, and copies of the latest annual report (Form 5500 Series), if any. The Plan Administrator may make a reasonable charge for the copies.

(b) In addition to creating rights for Participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your employer, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA. If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

(c) Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were

not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your right, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

(d) If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest Area Office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Approved by the Chief Executive Officer pursuant to the authority of the Board of Directors of Atlantic Union Bankshares Corporation on November 18, 2021.

SCHEDULE A

The following list represents all key or critical positions recommended by the Chief Executive Officer and approved by the Compensation Committee of the Board of Directors of the Company as covered under the Plan.

Tier 1
Chief Executive Officer
Bank President
Chief Financial Officer
Chief Information Officer & Head of Enterprise Operations
Consumer Banking Group Executive
Wholesale Banking Group Executive
Chief Human Resource Officer
Chief Risk Officer
Chief Audit Executive
Chief Marketing Officer
Chief Digital and Customer Experience Officer
Head of Product Management & First Line Business Risk
General Counsel
Home Loans Division President
Wealth Management President

Tier 2
Chief Credit Officer
Wealth Management Chief Investment Officer & Managing Director -Asset Management Group
Managing Director – Trust & Wealth Consulting Group
Wholesale Banking Regional President
Commercial Real Estate Group Executive
Director of Small Business Administration and Government Lending Programs
Consumer Regional President
Director Finance & Treasurer
Corporate Controller
Head of Corporate Development & Strategy

Exhibit 10.9

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement (the "Agreement") is made as of January 14, 2022, by and between Atlantic Union Bankshares Corporation, a Virginia corporation ("Bankshares") which is the parent company of Atlantic Union Bank, a Virginia banking corporation (the "Bank"), the Bank, and John C. Asbury ("you" or "your"). Bankshares and the Bank shall be collectively referred to herein as the "Company."

The parties, intending to be legally bound, agree as follows:

1. Employment and Acceptance. You shall be employed or continue to be employed as President and Chief Executive Officer of Bankshares and Chief Executive Officer of the Bank on the terms and subject to the conditions of this Agreement. You shall have the duties and responsibilities that are commensurate with your position and shall also render such other managerial services as may be reasonably assigned to you from time to time by the Company, consistent with your position. You accept such employment and agree to carry out your duties and responsibilities to the best of your ability in a competent, efficient and businesslike manner. You further agree to comply with all the policies, standards and codes of conduct of the Company now or hereafter adopted. You shall also serve as a member of the Board of Directors of Bankshares. In accordance with the Company's current practice, as an employee of the Company you will not be eligible for any additional fees or compensation for your service as a member of the Board of Directors.

References in this Agreement to services rendered for the Company and compensation and benefits payable or provided by the Company shall include services rendered for, and compensation and benefits payable or provided by, any Affiliate (as defined below) of the Company. Unless the context otherwise requires, references in this Agreement to the "Company" also shall mean and refer to any business entity, that, directly or indirectly through one or more intermediaries, is controlled by the Company (each, an "Affiliate").

2. Term of Employment. This Agreement will be effective on January 14, 2022, (the "Commencement Date") and will expire on December 31, 2022; provided that on December 31, 2022 and on each December 31st thereafter (each such December 31st is referred to as the "Renewal Date"), the term of your employment will be automatically extended for an additional calendar year. The term of your employment will not, however, be extended if the Company gives you written notice ("Nonrenewal Notice") of such nonrenewal no later than September 30th before the Renewal Date (the initial and any extended term of your employment is referred to as the "Employment Period").

3. Compensation and Benefits.

(a) Base Salary. You will receive for your services an annual base salary of $832,000 (the "Base Salary"), which will be payable in accordance with the payroll practices of the Company applicable to all officers (but not less frequently than monthly). The Base Salary will be reviewed annually by Bankshares' Board of Directors (the "Board of Directors") and may be adjusted upward or downward in the sole discretion of the Board of Directors. In no event, however, will the Base Salary be less than $832,000.

(b) Short-Term and Long-Term Incentives. During the Employment Period, you may participate in such short-term and/or long-term cash and/or equity incentive plan(s) in such manner and subject to such terms and conditions as the Compensation Committee or the Board of Directors in its sole discretion may determine. Any annual cash bonus will be paid no later than two and one-half (2 ½) months after the end of the year for which the annual bonus is awarded. To be eligible to earn any bonus, and as condition of earning such bonus, you must be employed by the Company on the date such bonus is paid, unless you have retired in accordance with the Company's retirement policy after the last date of the bonus performance period under the applicable incentive plan.

(c) Benefits. You will be entitled to participate in and receive the benefits of any retirement benefit plan, life insurance, profit sharing, employee stock ownership, and other plans, benefits and privileges of the Company that may be in effect from time to time, to the extent you are eligible under the terms of those plans and

programs. It is understood that the Board of Directors may, in its sole discretion, establish, modify or terminate such plans, programs or benefits.

(d) Business Expenses. The Company will reimburse you or otherwise provide for or pay for all reasonable expenses incurred by you in furtherance of, or in connection with, the business of the Company, including, but not by way of limitation, travel expenses, and memberships in professional organizations, subject to such reasonable documentation and other limitations as may be established or required by the Board of Directors. You will also be provided with an appropriate automobile as determined by the Company and the Company will pay the costs associated with the operation of the automobile, as provided for in the Company's policies. All reimbursements provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A of the Internal Revenue Code of 1986 (the "Code") to the extent that such reimbursements are subject to Section 409A of the Code, including, where applicable, the requirements that (i) any reimbursement is for expenses incurred during your lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred and (iv) the right to reimbursement is not subject to set off or liquidation or exchange for any other benefit.

(e) Paid Time Off. You will be entitled to paid time off in accordance with the Company's paid time-off policies as in effect from time to time. Under the Company's current policy, you will be entitled to five weeks of paid time-off annually, including vacation, sick leave and personal leave.

4. Termination and Termination Benefits. Notwithstanding the provisions of Section 2, your employment hereunder shall terminate under the following circumstances and shall be subject to the following provisions:

(a) Death. If you die while employed by the Company, the Company will pay the Accrued Amounts (as defined in and subject to the payment timing in Section 4(c), below) and an amount equal to six (6) months of your salary at your then current Base Salary rate to your beneficiary or beneficiaries named on Exhibit 1 to this Agreement (or to your estate, if you fail to make such designation) within sixty (60) days after your death, with such payments to be made on the same periodic dates as salary payments would have been made to you had you not died. If a timely election for COBRA coverage is made, for up to twelve (12) months following your death your qualified dependents will receive benefits under the Company's group health, dental and vision plans at the same rates as those paid by active participants immediately prior to your death, and the Company will continue to pay its portion of such health, dental and vision premiums. Any COBRA coverage available following such twelve (12) month period shall be at the full (unsubsidized) expense of your covered qualified dependents.

(b) Disability. Your employment may be terminated at any time by the Company because of your inability to perform the essential functions of your position with the Company on a full-time basis for 180 consecutive days or a total of at least two hundred forty (240) days in any twelve (12)-month period as a result of your incapacity due to physical or mental illness as determined pursuant to the Company's long-term disability policy. If the Company terminates your employment under this Section 4(b), this Agreement will terminate without any further obligation of the Company to you other than to pay you any Accrued amounts (as defined in and subject to payment timing in Section 4(c)) and, if you timely elect COBRA coverage, your then-current benefits under the Company's group health, dental and vision plans will continue in accordance with the terms of the applicable plan and law. In such case, (a) you will receive such benefits at the rates paid by active participants, and (b) for twelve (12) months the Company will continue to pay its portion of such health, dental and vision premiums.

(c) Termination for Cause. Your employment may be terminated at any time by the Company effective immediately for Cause (as defined below) upon written notice to you setting forth in reasonable detail the nature of such Cause. If the Company terminates you for Cause, this Agreement will terminate without any further obligation of the Company to you other than to pay you any accrued but unpaid Base Salary through your termination date, which shall be paid on the payroll date immediately following the date of termination or such earlier date required by law, and to reimburse you for any unreimbursed expenses properly incurred by you (collectively, the "Accrued Amounts"). Only the following shall constitute "Cause" for such termination:

(i) your willful failure to perform any of the duties and responsibilities required of your position (other than by reason of your disability) or your willful failure to follow reasonable instructions or policies of the Company, after being advised in writing of such failure and being given a reasonable opportunity and period (as determined by the Board of Directors but no less than fifteen (15) and no more than thirty (30) days) to remedy such failure (if it is capable of being remedied as determined by the Board of Directors);

(ii) your breach of fiduciary duties or duties of loyalty owed to the Company or its Affiliates;

(iii) your conviction of or entering of a guilty plea or a plea of no contest with respect to a felony (or state law equivalent) or any crime (felony or misdemeanor) of moral turpitude or your misappropriation or embezzlement of funds or property of the Company or its Affiliates;

(iv) your breach of a material term of this Agreement or violation in any material respect of any code or standard of conduct generally applicable to employees of the Company, after being advised in writing of such breach or violation and being given a reasonable opportunity and period (as determined by the Board of Directors but not less than fifteen (15) and no more than thirty (30) days) to remedy such breach or violation (if it is capable of being remedied as determined by the Board of Directors);

(v) your fraud or dishonesty with respect to Company or its Affiliates;

(vi) your engaging in conduct that, if it became known by any regulatory or governmental agency or the public, is or would be reasonably likely to result, or has resulted, in material injury to the Company or its Affiliates, reputational, financial, or otherwise.

(d) Termination Without Cause. The Company may terminate your employment hereunder without Cause by written notice to you effective thirty (30) days after receipt of such notice by you. In the event of your termination of employment by the Company without Cause, you shall be entitled to the benefits specified in Section 4(g) of this Agreement, subject to your satisfaction of the requirements set forth in Section 4(g).

(e) Termination by You Without Good Reason. You may terminate your employment hereunder without Good Reason (as defined below) by written notice to the Company effective thirty (30) days after receipt of such notice by the Company. In the event you terminate your employment hereunder without Good Reason, you will be entitled to receive the Accrued Amounts as provided in Section 4(c). It shall not constitute a breach of this Agreement or “Good Reason” (defined below) for the Company to suspend your duties and to place you on paid leave during the period after notice of termination is received.

(f) Termination by You for Good Reason. You may voluntarily terminate your employment under this Agreement at any time for Good Reason and be entitled to receive the compensation and benefits set forth in Section 4(g), subject to the satisfaction of the requirements set forth in Section 4(g). You must provide written notice to the Board of Directors of the existence of the event or condition constituting such Good Reason within ninety (90) days after the initial occurrence of the event or condition alleged to constitute Good Reason. Upon delivery of such notice by you, the Company shall have a period of thirty (30) days during which it may remedy the event or condition constituting Good Reason, and your employment shall continue in effect during such time. In the event the Company shall remedy the event or condition constituting Good Reason, then such notice of termination shall be null and void, and the Company shall not be required to pay any amount due to you under this Section 4(f). If the Company has not remedied the event or condition constituting Good Reason during the thirty (30) day cure period and you do not terminate your employment for Good Reason within ninety (90) days thereafter, then you will have waived your right to terminate for Good Reason with respect to such grounds.

For purposes of this Agreement, Good Reason shall mean: (i) the failure by the Company to comply with the provisions of Section 3 or material breach by the Company of any other material provision of this Agreement; (ii) the assignment to you, without your consent, to a position or of responsibilities and duties that have materially less responsibility and authority than your position, responsibilities, or duties at the Commencement Date;

(iii) the requirement by the Company that you be based (other than on a temporary basis) at any office that is greater than fifty miles from where your office is located at the Commencement Date; or (iv) the failure of the Company to nominate you for election to the Board of Directors of the Company and to use its best efforts to have you re-elected. Notwithstanding the above, Good Reason shall not include your removal as an officer of any Affiliate of the Company in order that you might concentrate your efforts on the Company or any resignation by you where Cause for your termination by the Company exists.

(g) Certain Termination Benefits. In the event of termination of your employment by the Company without Cause, and other than for death or disability, or by you for Good Reason, you shall receive the Accrued Amounts and, provided you sign and deliver to the Company, within the time periods required by the Company, a general release and waiver of all claims in favor of the Company and its Affiliates and their respective officers and directors and employees and others in a form provided by the Company and it becomes effective and irrevocable(the "Release"), the following payments and benefits:

(i) Any earned but unpaid annual incentive bonus referenced in Section 3(b) with respect to any completed calendar year immediately preceding the date of termination, which shall be paid on the applicable payment date when such bonus would have been otherwise due;

(ii) Subject to subsections (v) and (vii) below, for a two (2)-year period immediately following the date of termination, the Company shall continue to pay you your Base Salary at the rate in effect on the date of termination, such payments to be made on the same periodic dates as salary payments would have been made had your employment not been terminated (the "Severance Benefit"), subject to compliance with Section 19 of this Agreement regarding the requirements of Section 409A of the Code;

(iii) The Company shall pay you a welfare continuance benefit (the "Welfare Continuance Benefit") in an amount equal to the product of (x) the amount of the Company's monthly contribution pursuant to its current plan, or plans, in effect as of the date of termination of employment to provide group health, dental and vision insurance benefits made available to similarly situated officers of the Company (for purposes of illustration only, that monthly contribution is $720 as of the date of this Agreement), times (y) twenty-four (24). The Welfare Continuance Benefit will be paid to you in a lump sum cash payment within sixty (60) days after the date of your termination of employment, provided that the Release has become irrevocable and subject to compliance with Section 19 of this Agreement regarding the requirements of Section 409A of the Code;

(iv) All outstanding Awards (as defined in the applicable equity award plan of Bankshares) shall vest in accordance with the terms of the applicable award agreement or other governing document pursuant to which an Award is granted (the "Award Agreement"), except that, solely for purposes of determining vesting in such Awards that are outstanding as of the date of this Agreement and subject to the Release requirement herein, you will be treated as if you are eligible to receive severance pay under the Atlantic Union Bankshares Executive Severance Plan for purposes of applying the terms of the applicable Award Agreement;

(v) During the twelve (12)-month period that begins on the first anniversary date of the termination of employment and ends on the second anniversary date, the Company's obligation to continue to pay you the Severance Benefit during such second twelve (12)-month period shall terminate thirty (30) days after you obtain full-time employment with another employer that provides an annualized base salary that is at least equal to 75% of the Base Salary being paid to you by the Company at the rate in effect on the date of termination;

(vi) During the two (2)-year period following the date of termination, you shall provide the Company with at least ten days written notice before the starting date of any employment, identifying the prospective employer and its affiliated companies and the job description, including a description of the proposed geographic market area associated with the new position. Upon request, you shall provide the Company with proof of your annualized base salary with your new employer so as to meet

the obligations in subsection (v) above. You shall notify in writing any new employer of the existence of the restrictive covenants set forth in Section 5 of this Agreement prior to commencing such employment;

(vii) The obligation of the Company to continue to pay you the Severance Benefit for the period after the Noncompete Period (as defined in Section 5(a)) has expired and prior to the completion of the twenty-four (24) month period specified in (ii) above shall cease and be null and void effective upon your engaging in any conduct or activity that otherwise would have been prohibited under Section 5(a). (By way of illustration only, if you elect to engage in a Competitive Business within the Market Area (as those terms are defined in Section 5(e)) upon expiration of the one (1)-year Noncompete Period, the Company will not be obligated to continue to pay the Severance Benefit for the remaining balance of the twenty-four (24) month period specified in (ii) above.).

The Release referenced in this Section 4(g) to be effective must be delivered by you to the Company no later than forty-five (45) days following your termination of employment and must not be revoked during the seven (7) days following such delivery. If such Release is not executed in a timely manner or is revoked, all such payments and benefits shall immediately cease and you shall be required to repay to the Company any such payments that have already been paid to you except for the Accrued Amounts.

(h) Nonrenewal of the Employment Period. In the event of your termination of employment following a Nonrenewal Notice by the Company as set forth in Section 2 of this Agreement, and except for the following adjustments set forth below to the Severance Benefit and Welfare Continuance Benefit, you will be entitled to the termination benefits provided for in Section 4(g), subject to your execution and delivery of the Release and its effectiveness:

(i) For a one (1)-year period following the date of termination, the Company shall continue to pay you your Base Salary at the rate in effect on the date of termination, such payments to be made on the same periodic dates as salary payments would have been made had your employment not been terminated, subject to compliance with Section 19 of this Agreement regarding the requirements of Section 409A of the Code; and

(ii) The Welfare Continuance Benefit will be an amount equal to the product of (x) the amount of the Company's monthly contribution pursuant to its current plan, or plans, in effect as of the date of termination of employment to provide group health insurance and certain related benefits made available to similarly situated officers of the Company, times (y) twelve (12). The Welfare Continuance Benefit will be paid to you in a lump sum cash payment within sixty (60) days after the date of your termination of employment, provided the Release has become irrevocable and subject to compliance with Section 19 of this Agreement regarding the requirements of Section 409A of the Code.

(i) Resignation of All Other Position. Effective upon the termination of your employment for any reason, you shall be deemed to have resigned from all positions that you hold as an officer of the Company or its Affiliates.

(j) Regulatory Requirement. The Company shall not be required to make payment of, or provide any benefit under, this Section 4 to the extent such payment or benefit is prohibited by the regulations presently found at 12 C.F.R. Part 359 or to the extent that any other governmental approval for the payment or benefit that is required by law is not received.

5. Covenants.

(a) Noncompetition. You agree that during the Employment Period and for a one (1)-year period following the termination of your employment (subject to Section 5(d) below) for any reason, including resignation or retirement (the "Noncompete Period"), you will not directly or indirectly, as a principal, agent, employee, employer, investor, director, consultant, co-partner or in any other individual or representative capacity whatsoever, engage in a business that provides Competitive Services anywhere in the Market Area (as such terms are defined below) by performing services in any competitive capacity through holding the same or similar office or engaging in the same or similar activities to those which you held or performed on behalf of the Company and any

of its Affiliates during the Employment Period. Notwithstanding the foregoing, you may purchase or otherwise acquire up to (but not more than) 1% of any class of securities of any business enterprise (but without otherwise participating in the activities of such enterprise) that provides Competitive Services in the Market Area and whose securities are listed on any national securities exchange or have been registered under Section 12 of the Securities Exchange Act of 1934.

(b) Non-solicitation of Customers. You agree that for a two (2)-year period following the termination of your employment for any reason, including resignation or retirement, you will not solicit, divert from the Company or its Affiliates, or transact business with any "Customer" of the Company with whom you had "Material Contact" during the last twenty-four (24) months of your employment or about whom you obtained information not known generally to the public while acting within the scope of your employment during the last twenty-four (24) months of your employment, if the purpose of such solicitation, diversion or transaction is to provide products or services that are the same as or substantially similar to, and competitive with, those offered by the Company or its Affiliates during your employment and at the time your employment ends. For purposes of this subsection 5(b), "Material Contact" means that you personally communicated with the Customer, either orally or in writing, for the purpose of providing, offering to provide or assisting in providing products or services of the Company or its Affiliates; and "Customer" means (1) any Person to whom the Company or its Affiliates provided products or service in exchange for compensation or who otherwise had a depository or other contractual relationship with the Company or its Affiliates pursuant to which the Company or its Affiliates provided products or services to the Customer during the last twenty-four (24) months of your employment; or (2) any Person to whom you, while acting in the scope of your employment, offered the products or services of the Company or its Affiliates during the last twenty-four (24) months of your employment. The term "solicit" does not include advertisements in publications or media of general or industry-wide circulation not directed disproportionately to Customers of the Company. You acknowledge that, due to your relationship with the Company, you will develop, or have developed, special contacts and relationships with the Company's customers and that it would be unfair and harmful if you took advantage of these relationships.

(c) Non-Piracy of Employees. You further agree that for a two (2)-year period following the termination of your employment for any reason, including resignation or retirement, you will not, directly or indirectly: solicit, recruit, or hire (or attempt to solicit, recruit, or hire) or otherwise assist anyone in soliciting, recruiting, or hiring, any employee or independent contractor (which shall not include non-exclusive outside vendors) of the Company or its Affiliates who performed work for the Company or its Affiliates or who was otherwise engaged or employed with the Company or its Affiliates during the last six (6) months of your employment, and with whom you had "Material Contact." In addition, you shall not during your employment, encourage or solicit any employee or independent contractor (which shall not include non-exclusive outside vendors) of the Company or its Affiliates to leave their employment by or engagement with the Company or its Affiliates if the purpose is to perform services for a business engaged in providing Competitive Services. For purposes of this subsection 5(c), "Material Contact" means that you were aware of or communicated with the employee or independent contractor during the last twenty-four (24) months of your employment.

(d) Nonrenewal of the Agreement. Notwithstanding the foregoing, in the event the Company elects not to renew this Agreement in accordance with Section 2 and your employment is subsequently terminated after the expiration of the then current term, you will not be subject to the noncompetition provisions of Section 5(a) following the termination of your employment, unless you shall otherwise be entitled to receive payments from the Company as a result of your termination without Cause, the nonrenewal of the term of this Agreement, or for Good Reason pursuant to Sections 4(g) or 4(h) of this Agreement.

(e) Definitions. As used in this Agreement, the term "Competitive Services" means providing financial products and services that are the same as or substantially similar to those offered by the Company during the Employment Period and at the time the Employment Period ends, which includes offering one or more of the following products and services: depository accounts, consumer and commercial lending, banking, residential and commercial mortgage lending, cash management services, securities brokerage and asset management, trust and estate administration, and any other business in which the Company or its Affiliates are engaged and in which you are significantly engaged at the time of termination of your employment; the term "Market Area" means the area within a twenty-five (25) mile radius of any banking office or a loan production office (excluding for purposes of this Agreement an office providing only residential mortgage loans) that the

Company has established and is continuing to operate at the time of termination of your employment; and the term "Person" means any person, partnership, corporation, company, group or other entity.

(f) Confidentiality. As an employee of the Company, you will have access to and may participate in the origination of non-public, proprietary and confidential information relating to the Company and its Affiliates and you acknowledge a fiduciary duty owed to the Company and its Affiliates not to disclose any such information. Confidential information may include, but is not limited to, trade secrets, customer lists and information, internal corporate planning, methods of marketing and operation, and other data or information of or concerning the Company and its Affiliates or their customers that is not generally known to the public or generally in the banking industry ("Confidential Information"). You agree that for the five (5)-year period following the termination of your employment for any reason, including resignation or retirement, you will not use or disclose to any third party any such Confidential Information, either directly or indirectly, except as may be authorized in writing specifically by the Company; provided, however that to the extent the information covered by this Section 5(f) is otherwise protected by the law, such as a "trade secret," as defined by the Virginia Uniform Trade Secrets Act, or customer information protected by banking privacy laws, that information shall not be disclosed or used for however long the legal protections applicable to such information remain in effect

Nothing in this Agreement restricts or prohibits you or your counsel from initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before a self-regulatory authority or a governmental, law enforcement or other regulatory authority, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Congress, and any Office of Inspector General (collectively, the "Regulators"), from participating in any reporting of, investigation into, or proceeding regarding suspected violations of law, or from making other disclosures that are protected under or from receiving an award for information provided under the whistleblower provisions of state or federal law or regulation. You do not need the prior authorization of the Company to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide confidential information or documents containing confidential information to the Regulators, or make any such reports or disclosures to the Regulators. You are not required to notify the Company that you have engaged in such communications with the Regulators. You recognize and agree that, in connection with any such activity outlined above, you must inform the Regulators that the information you are providing is confidential.

Federal law provides certain protections to individuals who disclose a trade secret to their attorney, a court, or a government official in certain, confidential circumstances. Specifically, federal law provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret under either of the following conditions:

- Where the disclosure is made (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (b) solely for the purpose of reporting or investigating a suspected violation of law; or

- Where the disclosure is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

Federal law also provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

(g) Acknowledgment; Enforcement. The covenants contained in this Section 5 shall be construed and interpreted in any proceeding to permit their enforcement to the maximum extent permitted by law. You agree that the restrictions imposed herein are necessary for the reasonable and proper protection of the Company and its Affiliates, and that each and every one of the restrictions is reasonable in respect to length of time, geographic area and scope of prohibited activities, and that the restrictions are neither overly restrictive on your post-employment activity nor overly burdensome for you to abide by. You covenant that you will not make any contention contrary to any of the foregoing representations in the future and agree that you will be estopped to deny

or contradict the truth or accuracy of these representations. If, however, the time, geographic and/or scope of activity restrictions set forth in Section 5 are found by an arbitrator or court to exceed the standards deemed enforceable, the arbitrator or court, as applicable, is empowered and directed to modify the restriction(s) to the extent necessary to make them enforceable, so long as applicable law allows such modifications. Notwithstanding anything to the contrary herein, nothing in this Agreement shall be construed to prohibit any activity that cannot reasonably be construed to further in any meaningful way any actual or potential competition against the Company or an Affiliate.

(h) Enforcement. You acknowledge that damages at law would not be a measurable or an adequate remedy for breach of the covenants contained in this Section 5 and, accordingly, you agree to submit to the equitable jurisdiction of any court of competent jurisdiction (subject to the venue provisions described below) in connection with any action to enjoin you from violating any such covenants. If the Company is successful in whole or in part in any legal, equitable, or arbitration action against you or brought by you in connection with the enforcement of the covenants included in this Section 5, the Company shall be entitled to payment of all costs, including reasonable attorneys' fees, from you. If, on the other hand, it is finally determined by a court of competent jurisdiction that a breach or threatened breach did not occur under Section 5 of this Agreement, the Company shall reimburse you for reasonable legal fees incurred to defend the claim. All the provisions of this Section 5 will survive termination and expiration of this Agreement.

6. Change in Control of the Company. Provided the Amended and Restated Management Continuity Agreement, dated as of the same date as this Agreement, between the Company and you (the "Management Continuity Agreement") that provides for certain severance payments and benefits in connection with the termination of your employment without "cause" or "good reason" following a "change in control" transaction (as those terms are defined in the Management Continuity Agreement), continues to remain in effect, in the event there is a "change in control" of the Company this Agreement will terminate and be of no further force and effect, except as provided below, and any termination benefits will be determined and paid solely pursuant to such Management Continuity Agreement.

Notwithstanding anything to the contrary contained in this Agreement, in the event of a change in control of the Company, the restrictions imposed by paragraph (a) of Section 5 shall not apply to you after you cease to be employed by the Company, unless you are entitled to receive the severance benefits provided for in the Management Continuity Agreement in which case the restrictions imposed by Section 5(a) of this Agreement will continue to apply. The non-solicitation of customers and non-piracy restrictions in Sections 5(b) and 5(c) and the confidentiality provisions in Section 5(f) will remain in full force and effect following a change in control under all circumstances.

7. Arbitration/Venue.

(a) Except as provided in Section 7(c) below, both the Company and you acknowledge and agree that any dispute or controversy arising out of, relating to, or in connection with your employment or this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof, shall be settled by binding arbitration unless otherwise required by law, to be held in Richmond, Virginia in accordance with the National Rules for the Resolution of Employment Disputes then in effect of the American Arbitration Association. The arbitrator may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court having jurisdiction. The party against whom the arbitrator(s) shall render an award shall pay the other party's reasonable attorneys' fees and other reasonable costs and expenses in connection with the enforcement of its rights under this Agreement (including the enforcement of any arbitration award in court), unless and to the extent the arbitrator(s) shall determine that under the circumstances recovery by the prevailing party of all or a part of any such fees and costs and expenses would be unjust.

(b) The arbitrator(s) shall apply Virginia law to the merits of any dispute or claim, without reference to rules of conflicts of law.

(c) The parties may apply to any court of competent jurisdiction for a temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this arbitration agreement and without abridgment of the powers of the arbitrator. To the extent any dispute between the parties is or

becomes part of a judicial proceeding, the exclusive venue for any such proceeding shall be the Circuit Court of Henrico County, Virginia or the federal district court in Richmond, Virginia, selected at the option of the Company and to which you waive all objections and consent to personal jurisdiction.

(d) YOU HEREBY CONFIRM YOU HAVE READ AND UNDERSTAND THIS SECTION 7, WHICH DISCUSSES ARBITRATION, AND UNDERSTAND THAT BY SIGNING THIS AGREEMENT, YOU AGREE, EXCEPT AS PROVIDED IN SECTION 7(c), TO SUBMIT ANY CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH YOUR EMPLOYMENT, THIS AGREEMENT, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE, BREACH OR TERMINATION THEREOF TO BINDING ARBITRATION, UNLESS OTHERWISE REQUIRED BY LAW, AND THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF YOUR RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF YOUR RELATIONSHIP WITH THE COMPANY.

8. Mitigation; Exclusivity of Benefits.

(a) You shall not be required to mitigate the amount of any benefits to be paid to you hereunder by seeking other employment or otherwise.

(b) The specific arrangements referred to herein are not intended to exclude any other benefits which may be available to you upon a termination of employment with the Company pursuant to employee benefit plans of the Company or otherwise.

9. Withholding. All payments required to be made by the Company hereunder to you shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine should be withheld pursuant to any applicable law or regulation.

10. Assignability. The Company may assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any corporation, company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case such corporation, company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a party hereto, to the extent that any such transaction does not trigger the operation of Section 6 above. You may not assign or transfer this Agreement or any rights or obligations hereunder.

11. Notices. For the purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or mailed by certified or registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below:

To the Company:	Chairman of the Board Atlantic Union Bankshares Corporation 1051 East Cary Street Suite 1200 Richmond, Virginia 23219
	And at the Chairman's home address as shown on the records of the Company.
To You:	John C. Asbury
	At your home address as shown on the records of the Company.

12. Amendment; Waiver. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by you and such officer or officers as may be specifically designated by the Board of Directors of Bankshares and the Bank to sign on their behalf. No

waiver by any party hereto at any time of any breach by any other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

13. Entire Agreement. This Agreement, together with the Management Continuity Agreement, constitute the entire agreement between the parties with respect to the subject matter hereof and no agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth or expressly incorporated in this Agreement or in the Management Continuity Agreement.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without reference to its conflicts of laws principles.

15. Nature of Obligations. Nothing contained herein shall create or require the Company to create a trust of any kind to fund any benefits which may be payable hereunder, and to the extent that you acquire a right to receive benefits from the Company hereunder, such right shall be no greater than the right of any unsecured general creditor of the Company.

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

17. Validity/Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect. Should any part of this Agreement be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in full force and effect as if the Agreement had been executed without the illegal, invalid or unenforceable portion.

18. Counterparts; Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. In the event that any signature is executed or delivered by means of an electronic signature (such as DocuSign), facsimile or scanned pages via electronic mail, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such electronic signature, facsimile or scanned pages were the original signed version thereof delivered in person.

19. Deferred Compensation Omnibus Provision.

(a) It is intended that payments and benefits under this Agreement that are considered to be deferred compensation subject to Section 409A of the Code, shall be provided and paid in a manner, and at such time and in such form, as complies with the applicable requirements of Section 409A of the Code and related regulations and guidance to avoid the unfavorable tax consequences provided for therein for non- compliance. Notwithstanding any other provision of this Agreement, the Company’s Compensation Committee or Board of Directors is authorized to amend this Agreement, to amend or void any election made by you under this Agreement and/or to delay the payment of any monies and/or provision of any benefits in such manner as may be determined by it to be necessary or appropriate to comply with Section 409A of the Code. For purposes of this Agreement, all rights to payments and benefits hereunder shall be treated as rights to receive a series of separate payments and benefits to the fullest extent allowed by Section 409A of the Code.

(b) If you are deemed on the date of separation of service with the Company to be a “specified employee,” as defined in Section 409A(a)(2)(B) of the Code, then any payments or arrangements due upon a termination of your employment under any arrangement that constitutes a “nonqualified deferral of compensation” within the meaning of Section 409A and which do not otherwise qualify under the exemptions under Treas. Regs. Section 1.409A-1 (including without limitation, the short-term deferral exemption or the permitted payments under Treas. Regs. Section 1.409A-1(b)(9)(iii)(A)), shall not be made or provided prior to the earlier of (i) the date which is six (6) months after your “separation from service” (as such term is defined in Section 409A and

the regulations and other published guidance thereunder) for any reason other than death, and (ii) the date of your death. (the "409A Deferral Period").

(c) In the case of benefits that are subject to Section 409A of the Code and not deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-1(b)(9)(iii), you may pay the cost of benefit coverage, and thereby obtain benefits, during the 409A Deferral Period and then be reimbursed by the Company when the 409A Deferral Period ends. Not later than ten (10) days after the end of the 409A Deferral Period, all payments delayed pursuant to this Section 19 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid or reimbursed to you in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided as originally scheduled.

(d) It is intended that each installment of the severance payments and benefits provided under this Agreement shall be treated as a separate "payment" for purposes of Section 409A of the Code. Neither you nor the Company shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Section 409A of the Code.

(e) "Termination of employment" shall have the same meaning as "separation of service," as that phrase is defined in Section 409A of the Code (taking into account all rules and presumptions provided for in the Section 409A regulations).

(f) When, if ever, a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within sixty (60) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(g) Notwithstanding any of the provisions of this Agreement, neither the Company the Company's affiliates, nor any of the Company's officers, directors, employees, agents or representatives shall be liable to the you if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A of the Code otherwise fails to comply with, or be exempt from, the requirements of Section 409A of the Code.

20. Clawback. You agree that any incentive based compensation or award that you receive, or have received, from the Company or its Affiliates under this Agreement or otherwise, will be subject to clawback by the Company as may be required by applicable law or stock exchange listing requirement and on such basis as the Board of Directors determines, but in no event with a look-back period of more than three (3) years, unless required by applicable law or stock exchange listing requirement.

21. Documents. All documents, records, tapes and other media of any kind or description relating to the business of the Company or its Affiliates (the "Documents"), whether or not prepared by you, shall be the sole and exclusive property of the Company. The Documents, and any copies, shall be returned to the Company upon your termination of employment for any reason or at such earlier time as the Board of Directors or its designees may specify.

22. Non-disparagement. Subject to the provision in Section 5(f) relating to communications to Regulators, you will not at any time during or after the Employment Period make, publish or communicate to any person or entity or in any public forum any defamatory or disparaging remarks, comments or statements concerning the Company or its business, or any of its directors, employees, customers, and other associated third parties. This Section 22 does not, in any way, restrict or impede you from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by law, regulation or order. You shall promptly provide written notice of any such order to the Company. The Company will cause its officers and directors to refrain from making, publishing or communicating, at any time during or after the Employment Period, to any person or entity or in any public forum any defamatory or disparaging remarks, comments or statements concerning you.

23. Stock Ownership Requirements. During the Employment Period, you will be expected to maintain ownership of Company common stock in accordance with the guidelines established by the Board of Directors from time to time.

24. No Construction Against Any Party. This Agreement is the product of informed negotiations between parties. If any part of this Agreement is deemed to be unclear or ambiguous, it shall be construed as if it were drafted jointly by all parties. The parties agree neither party was in a superior bargaining position regarding the substantive terms of this Agreement.

25. Interpretation. Words importing any gender include all genders. Words importing the singular form shall include the plural and vice versa. The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms refer to this Agreement. Any captions, titles or headings preceding the text of any article, section or subsection herein are solely for convenience of reference and shall not constitute part of this Agreement or affect its meaning, construction or effect. Any reference to “days” shall refer to calendar days unless specifically provided otherwise.

(Signatures appear on the following page)

IN WITNESS WHEREOF, this Agreement has been executed by you and by a duly authorized officer of each of Bankshares and the Bank as of the date first above written.

ATLANTIC UNION BANKSHARES CORPORATION

By: /s/ Ronald L. Tillett
Ronald L. Tillett
Chairman of the Board

ATLANTIC UNION BANK

By: /s/ Ronald L. Tillett
Ronald L. Tillett
Chairman of the Board

EXECUTIVE

By: /John Asbury
John C. Asbury

EXHIBIT 1

BENEFICIARY DESIGNATION

I hereby designate the following person(s) as a beneficiary for the purposes of Section 6(b) to the extent of the percentage interest listed next to their name:

NAME	PERCENTAGE INTEREST
TOTAL (CANNOT EXCEED 100%)	

Exhibit 10.10

AMENDED AND RESTATED
MANAGEMENT CONTINUITY AGREEMENT

This Amended and Restated Management Continuity Agreement ("Agreement"), is made as of January 14, 2022 by and between Atlantic Union Bankshares Corporation, a Virginia corporation ("Bankshares"), which is the parent company of Atlantic Union Bank, a Virginia banking corporation (the "Bank"), the Bank, and John C. Asbury (the "Executive"). Bankshares and the Bank shall be collectively referred to herein as the "Company."

1. Purpose

The Company recognizes that the possibility of a Change in Control exists and the uncertainty and questions that it may raise among management may result in the departure or distraction of management personnel to the detriment of the Company and its shareholders. Accordingly, the purpose of this Agreement is to encourage the Executive to continue employment with the Company and/or its affiliates or successors in interest by merger or acquisition after a Change in Control by providing reasonable employment security to the Executive and to recognize the prior service of the Executive in the event of a termination of employment under certain circumstances after a Change in Control.

2. Term of the Agreement

This Agreement will be effective on January 14, 2022 (the "Effective Date") and will expire on December 31, 2022; provided, that on December 31, 2022 and on each December 31st thereafter (each such December 31st is referred to as the "Renewal Date"), this Agreement will be automatically extended for an additional calendar year. This Agreement will not, however, be extended if the Company gives written notice of non-renewal to the Executive no later than September 30th before the Renewal Date (the original and any extended term of this Agreement is referred to as the "Change in Control Period").

3. Employment after a Change in Control

If a Change in Control of the Company (as defined in Section 12) occurs during the Change in Control Period and the Executive is employed by the Company on the date the Change in Control occurs (the "Change in Control Date"), the Company will continue to employ the Executive in accordance with the terms and conditions of this Agreement for the period beginning on the Change in Control Date and ending on the date that is twenty-four (24) months after the Change in Control Date (the "Employment Period"). If a Change in Control occurs on account of a series of transactions, the Change in Control Date is the date of the last of such transactions.

4. Terms of Employment

(a) Position and Duties. During the Employment Period, (i) the Executive's position, authority, duties and responsibilities will be at least commensurate in all material respects with the most significant of those held, exercised and assigned to Executive by the Company at any time during the ninety (90)-day period immediately preceding the Change in Control Date and (ii) the Executive's services will be performed at the location where the Executive was employed immediately preceding the Change in Control Date or any office that is the headquarters of the Company and is less than thirty-five (35) miles from such location.

(b) Compensation.

(i) Base Salary. During the Employment Period, the Executive will receive an annual base salary (the "Annual Base Salary") at least equal to the base salary paid or payable to the Executive by the Company and its affiliated companies for the twelve-month period immediately preceding the Change of Control Date with such Annual Base Salary paid in accordance with the payroll practices of the Company applicable to all officers (but not less frequently than monthly). During the Employment Period, the Annual Base Salary will be reviewed at least annually and will be increased at any time and from time to time as will be substantially consistent with increases in base salary generally awarded in the ordinary course of business to other peer executives of the Company and its affiliated companies. Any increase in the Annual Base Salary will not serve to limit or reduce any other obligation to the Executive

under this Agreement. The Annual Base Salary will not be reduced after any such increase, and the term Annual Base Salary as used in this Agreement will refer to the Annual Base Salary as so increased. The term “affiliated companies” includes any company controlled by, controlling or under common control with the Company.

(ii) Annual Bonus. In addition to the Annual Base Salary, the Executive will be awarded for each year ending during the Employment Period and for which the Executive is employed on the last day of the year an annual bonus (the “Annual Bonus”) in cash at least equal to the average annual bonus paid or payable, including by reason of any deferral, for the two years immediately preceding the year in which the Change in Control Date occurs. Each such Annual Bonus earned will be paid no later than two and one-half months after the end of the year for which the Annual Bonus is awarded.

(iii) Incentive, Savings and Retirement Plans. During the Employment Period, the Executive will be entitled to participate in all incentive (including stock incentive), savings and retirement, insurance plans, policies and programs applicable generally to other peer executives of the Company and its affiliated companies, subject to the terms and conditions of such plans, policies and programs as in effect from time to time.

(iv) Welfare Benefit Plans. During the Employment Period, the Executive and/or the Executive’s spouse and/or eligible dependents, as the case may be, will be eligible for participation in and will receive all benefits under welfare benefit plans, policies and programs provided by the Company and its affiliated companies to the extent applicable generally to other peer executives of the Company and its affiliated companies, subject to the terms and conditions of such plans, policies and programs as in effect from time to time.

(v) Fringe Benefits. During the Employment Period, the Executive will be entitled to fringe benefits in accordance with the most favorable plans, policies and programs of the Company and its affiliated companies in effect for the Executive at any time during the six months immediately preceding the Change in Control Date or, if more favorable to the Executive, as in effect generally from time to time after the Change in Control Date with respect to other peer executives of the Company and its affiliated companies.

(vi) Paid Time Off. During the Employment Period, the Executive will be entitled to paid time off in accordance with the most favorable plans, policies and programs of the Company and its affiliated companies in effect for the Executive at any time during the six months immediately preceding the Change in Control Date or, if more favorable to the Executive, as in effect generally from time to time after the Change in Control Date with respect to other peer executives of the Company and its affiliated companies.

5. Termination of Employment Following a Change in Control

(a) Death or Disability. The Executive’s employment will terminate automatically upon the Executive’s death during the Employment Period. If the Company determines in good faith that the Disability of the Executive has occurred during the Employment Period, it may terminate the Executive’s employment. For purposes of this Agreement, “Disability” means the Executive’s inability to perform the essential functions of his position with the Company on a full time basis for one hundred and eighty (180) consecutive days or a total of at least two hundred and forty (240) days in any twelve (12)-month period as a result of the Executive’s incapacity due to physical or mental illness as determined pursuant to the Company’s long-term disability policy.

(b) Cause. The Company may terminate the Executive’s employment during the Employment Period for Cause. For purposes of this Agreement, “Cause” means (i) gross incompetence, gross negligence, willful misconduct in connection with the performance of your duties or breach of a fiduciary duty owed to the Company or any affiliated company; (ii) conviction of or entering of a guilty plea or a plea of no contest with respect to a felony or a crime of moral turpitude or commission of an act of embezzlement or fraud against the Company or any affiliated company; (iii) any material breach by the Executive of a material term of this Agreement, including, without limitation, material failure to perform a substantial portion of his duties and responsibilities

hereunder, after being advised in writing of such breach or failure and provided a thirty (30)-day opportunity to cure; or (iv) deliberate dishonesty of the Executive with respect to the Company or any affiliated company.

(c) Good Reason. The Executive's employment may be terminated during the Employment Period by the Executive for Good Reason. The Executive must provide written notice to the Company of the existence of the event or condition constituting such Good Reason within ninety (90) days after the initial occurrence of the event or condition alleged to constitute Good Reason. Upon delivery of such notice by you, the Company shall have a period of thirty (30) days during which it may remedy the event or condition constituting Good Reason, and the Executive's employment shall continue in effect during such time. In the event the Company shall remedy the event or condition constituting Good Reason, then such notice of termination shall be null and void, and the Company shall not be required to pay any amount due to you under this Section 4(f). If the Company has not remedied the event or condition constituting Good Reason during the thirty (30) day cure period and the Executive does not terminate employment for Good Reason within ninety (90) days thereafter, then the Executive will have waived his right to terminate for Good Reason with respect to such grounds. For purposes of this Agreement, "Good Reason" means:

(i) a material reduction in the Executive's duties or authority;

(ii) a failure by the Company to comply with any of the provisions of Section 4(b);

(iii) the Company's requiring the Executive to be based at any office or location other than that described in Section 4(a)(ii);

(iv) the failure by the Company to comply with and satisfy Section 7(b); or

(v) the Company breaches any term or provision of this Agreement;

Notwithstanding the above, Good Reason shall not include any resignation by the Executive where Cause for the Executive's termination by the Company exists or an isolated, insubstantial and/or inadvertent action not taken in bad faith by the Company and which is remedied by the Company within thirty (30) days after receipt of notice thereof if given by the Executive.

(d) Notice of Termination. Any termination during the Employment Period by the Company or by the Executive for Good Reason shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and the Date of Termination.

(e) Date of Termination. "Date of Termination" means (i) if the Executive's employment is terminated by the Company for Cause, or by the Executive for Good Reason, the date of receipt of the Notice of Termination or any later date specified therein, as the case may be, (ii) if the Executive's employment is terminated by the Company other than for Cause or Disability, the date specified in the Notice of Termination (which shall not be less than thirty (30) nor more than sixty (60) days from the date such Notice of Termination is given), and (iii) if the Executive's employment is terminated for Disability, thirty (30) days after Notice of Termination is given, provided that the Executive shall not have returned to the full-time performance of his duties during such thirty (30)-day period.

(f) Resignation of All Other Positions. Effective upon the termination of the Executive's employment for any reason, the Executive shall be deemed to have resigned from all positions the Executive holds as an officer or member of the Board of Directors (or a committee thereof) of the Company or any of its affiliates.

6. Compensation Upon Termination

(a) Termination Without Cause or for Good Reason. The Executive will be entitled to the following benefits if, during the Employment Period, the Company terminates his employment without Cause or the Executive terminates his employment with the Company or any affiliated company for Good Reason; provided with

respect to the payments set forth in paragraphs (ii) and (iii) below, the Executive signs and delivers a general release and waiver of all claims in favor of the Company, its affiliates and their respective officers and directors in a form provided by the Company and such release has become effective and irrevocable (the "Release") (for a avoidance of doubt, no release is required in connection with the payments set forth in paragraph (i) below).

(i) Accrued Obligations. The Accrued Obligations are the sum of: (1) the accrued but unpaid amount of the Executive's Annual Base Salary that remains unpaid through the Date of Termination at the rate in effect just prior to the time a Notice of Termination is given; (2) the amount, if any, of any Annual Bonus compensation theretofore earned under Section 4(b)(ii) which has not yet been paid; (3) the product of the Annual Bonus paid or payable, including by reason of deferral, for the most recently completed year and a fraction, the numerator of which is the number of days in the current year through the Date of Termination and the denominator of which is 365; (4) any benefits or awards (including both the cash and stock components) which pursuant to the terms of any plans, policies or programs have been earned or become payable, but which have not yet been paid to the Executive (but not including amounts that previously had been deferred at the Executive's request, which amounts will be paid in accordance with the Executive's existing directions); and (5) all unreimbursed business expenses properly incurred on behalf of the Company by the Executive. The Accrued Obligations will be paid to the Executive in a lump sum cash payment within ten (10) days after the Date of Termination or such earlier date as required by law;

(ii) Salary Continuance Benefit. The Salary Continuance Benefit is an amount equal to 2.0 times the Executive's Final Compensation. For purposes of this Agreement, "Final Compensation" means the Annual Base Salary in effect at the Date of Termination, plus the highest Annual Bonus paid or payable for the two most recently completed years. The Salary Continuance Benefit will be paid to the Executive in a lump sum cash payment within sixty (60) days after the Date of Termination, subject to compliance with Section 16 of this Agreement regarding the requirements of Section 409A of the Internal Revenue Code of 1986 (the "Code"), if applicable;

(iii) Welfare Continuance Benefit. The Company shall pay you a welfare continuance benefit (the "Welfare Continuance Benefit") in an amount equal to the product of (x) the amount of the Company's monthly contribution pursuant to its current plan, or plans, in effect as of the Date of Termination to provide group health, dental and vision insurance benefits made available to similarly situated officers of the Company (for avoidance of doubt, that monthly contribution is $720 as of the date of this Agreement), times (y) twenty-four (24). The Welfare Continuance Benefit will be paid to the Executive in a lump sum cash payment within sixty (60) days after the Date of Termination, subject to compliance with Section 16 of this Agreement regarding the requirements of Section 409A of the Code, if applicable.

(iv) Equity Acceleration. All outstanding Awards (as defined in the applicable equity award plan of Bankshares) shall vest in accordance with the terms of the applicable award agreement or other governing document pursuant to which an Award is granted (the "Award Agreement"), except that, solely for purposes of determining vesting in such Awards that are outstanding as of the date of this Agreement and subject to the Release requirement herein, you will be treated as if you are eligible to receive severance pay under the Atlantic Union Bankshares Executive Severance Plan for purposes of applying the terms of the applicable Award Agreement.

(b) Death. If the Executive dies during the Employment Period, this Agreement will terminate without any further obligation on the part of the Company under this Agreement, other than for (i) payment of the Accrued Obligations and six months of the Executive's Annual Base Salary (which shall be paid to the Executive's beneficiary or beneficiaries named on Exhibit 1 to this Agreement (or if none, to his estate) in a lump sum cash payment within sixty (60) days after the date of Executive's death); (ii) payment of an amount equal to the Welfare Continuance Benefit calculated under Section 6(b)(iii) (which shall be paid to the Executive's beneficiary or beneficiaries named on Exhibit 1 to this Agreement (or if none, to his estate) in a lump sum cash payment within sixty (60) days after the date of Executive's death); and (iii) the timely payment of all death and retirement benefits pursuant to the terms of any plan, policy or arrangement of the Company and its affiliated companies.

(c) Disability. If the Executive's employment is terminated because of the Executive's Disability during the Employment Period, this Agreement will terminate without any further obligation on the part of the Company under this Agreement, other than for (i) payment of the Accrued Obligations and six months of the Executive's Annual Base Salary (which shall be paid to the Executive in a lump sum cash payment within sixty (60) days after the Date of Termination, subject to compliance with Section 16 of this Agreement regarding the requirements of Section 409A of the Code, if applicable); (ii) payment of an amount equal to the Welfare Continuance Benefit calculated under Section 6(b)(iii) (which shall be paid to the Executive in a lump sum cash payment within sixty (60) days after the Date of Termination, subject to compliance with Section 16 of this Agreement regarding the requirements of Section 409A of the Code, if applicable); and (iii) the timely payment of all disability and retirement benefits pursuant to the terms of any plan, policy or arrangement of the Company and its affiliated companies.

(d) Cause; Other than for Good Reason. If the Executive's employment is terminated for Cause during the Employment Period, this Agreement will terminate without any further obligation to the Executive other than the payment to the Executive of the Annual Base Salary through the Date of Termination, plus the amount of any compensation previously deferred by the Executive paid in accordance with the terms of the plan or program under which such compensation was deferred and applicable law, and all unreimbursed business expenses properly incurred by the Executive. If the Executive terminates employment during the Employment Period, excluding a termination for Good Reason, this Agreement will terminate without any further obligation to the Executive other than for the Accrued Obligations (which will be paid in a lump sum in cash within sixty (60) days after the Date of Termination or such earlier date required by law) and any other benefits to which the Executive may be entitled pursuant to the terms of any plan, program or arrangement of the Company and its affiliated companies.

(e) Maximum Benefit. No amounts will be payable and no benefits will be provided under this Agreement to the extent that such payments or benefits, together with other payments or benefits under other plans, agreements or arrangements, would make the Executive liable for the payment of an excise tax under Section 4999 of the Code, or any successor provision. The amounts otherwise payable and the benefits otherwise to be provided under this Agreement shall be reduced in a manner determined by the Company (by the minimum possible amount) that is consistent with the requirements of Section 409A of the Code until no amount payable to the Executive will be subject to such excise tax. All calculations and determinations under this Section 6(e) shall be made by an independent accounting firm or independent tax counsel appointed by the Company (the "Tax Advisor") whose determinations shall be conclusive and binding on the Company and the Executive for all purposes. The Tax Advisor may rely on reasonable, good faith assumptions and approximations concerning the application of Section 280G and Section 4999 of the Code. The Company shall bear all costs of the Tax Advisor.

7. Binding Agreement; Successors

(a) This Agreement will be binding upon and inure to the benefit of the Executive (and his personal representative), the Company and any successor organization or organizations which shall succeed to substantially all of the business and property of the Company, whether by means of merger, consolidation, acquisition of all or substantially of all of the assets of the Company or otherwise, including by operation of law.

(b) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

(c) For purposes of this Agreement, the term "Company" includes any subsidiaries of the Company and any corporation or other entity which is the surviving or continuing entity in respect of any merger, consolidation or form of business combination in which the Company ceases to exist; provided, however, that for purposes of determining whether a Change in Control has occurred herein, the term "Company" refers to Atlantic Union Bankshares Corporation or its successors.

8. Fees and Expenses; Mitigation

(a) The Company will pay or reimburse the Executive for all costs and expenses, including without limitation court costs and reasonable attorneys' fees, incurred by the Executive (i) in contesting or disputing any termination of the Executive's employment or (ii) in seeking to obtain or enforce any right or benefit provided by this Agreement, in each case provided the Executive is the prevailing party in a proceeding brought in a court of competent jurisdiction. The Company shall reimburse the foregoing costs on a current basis after the Executive submits a claim for reimbursement with the proper documentation of the costs and expenses, provided that no expense will be reimbursed after the end of the year following the year in which the expense is incurred.

(b) The Executive shall not be required to mitigate the amount of any payment the Company becomes obligated to make to the Executive in connection with this Agreement, by seeking other employment or otherwise. The amount of any payment provided for in Section 6 shall not be reduced, offset or subject to recovery by the Company by reason of any compensation earned by the Executive as the result of employment by another employer after the Date of Termination, or otherwise.

9. No Employment Contract

Nothing in this Agreement will be construed as creating an employment contract between the Executive and the Company prior to a Change in Control.

10. Survival of Certain Restrictive Covenants

Section 5(a) of the Employment Agreement, dated as of the same hereof, between the Company and the Executive with respect to the Executive's covenants concerning noncompetition will not apply to the Executive after he ceases to be employed by the Company, unless the Executive is entitled to receive the severance benefits provided for in Section 6 of this Agreement in connection with the termination of his employment without Cause or for Good Reason in which case the restrictions imposed by Section 5(a) in the Employment Agreement will continue to apply. The non-solicitation and non-piracy restrictions in Sections 5(b) and 5(c) of the Employment Agreement and the confidentiality provisions in Section 5(f) of the Employment Agreement, together with the other provisions of Section 5, except to the extent Section 5(a) of the Employment Agreement may not apply as provided above, will survive the termination of the Employment Agreement and are incorporated into and made a part of this Agreement as though Section 5 of the Employment Agreement were set forth in full in this Agreement and shall apply in all circumstances.

11. Notice

Any notices and other communications provided for by this Agreement will be sufficient if in writing and delivered in person, or sent by registered or certified mail, postage prepaid (in which case notice will be deemed to have been given on the third day after mailing), or by overnight delivery by a reliable overnight courier service (in which case notice will be deemed to have been given on the day after delivery to such courier service). Notices to the Company shall be directed to the Secretary of the Company, with a copy directed to the Chairman of the Board. Notices to the Executive shall be directed to his last known address.

12. Definition of a Change in Control

No benefits shall be payable hereunder unless there shall have been a Change in Control of the Company during the Change in Control Period as set forth below. For purposes of this Agreement, a "Change in Control" means:

(a) The acquisition by any Person of beneficial ownership of 20% or more of the then outstanding shares of common stock of the Company, provided that an acquisition directly from the Company (excluding an acquisition by virtue of the exercise of a conversion privilege) shall not constitute a Change in Control.

(b) Individuals who constitute the Board on the date of this Agreement (the "Incumbent Board") cease to constitute a majority of the Board, provided that any director whose nomination was approved by a vote of at least two-thirds of the directors then comprising the Incumbent Board will be considered a member of the Incumbent Board, but excluding any such individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company.

(c) Consummation by the Company of a reorganization, merger, share exchange or consolidation (a "Reorganization"), provided that a Reorganization will not constitute a Change in Control if, upon consummation of the Reorganization, each of the following conditions is satisfied:

(i) more than 50% of the then outstanding shares of common stock of the corporation resulting from the Reorganization is beneficially owned by all or substantially all of the former shareholders of the Company in substantially the same proportions as their ownership existed in the Company immediately prior to the Reorganization;

(ii) no Person beneficially owns 20% or more of either (1) the then outstanding shares of common stock of the corporation resulting from the transaction or (2) the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors; and

(iii) at least a majority of the members of the board of directors of the corporation resulting from the Reorganization were members of the Incumbent Board at the time of the execution of the initial agreement providing for the Reorganization.

(d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company, or the consummation of a sale or other disposition of all or substantially all of the assets of the Company.

(e) For purposes of this Agreement, "Person" means any individual, entity or group (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934 (the "Exchange Act"), other than any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliated company, and "beneficial ownership" has the meaning given the term in Rule 13d-3 under the Exchange Act.

(f) The foregoing definition of Change in Control shall be modified to the extent necessary to be consistent with and interpreted in accordance with Code Section 409A and regulations issued thereunder.

13. Miscellaneous

No provision of this Agreement may be amended, modified, waived or discharged unless such amendment, modification, waiver or discharge is agreed to in a writing signed by the Executive and the Chairman of the Board, Chief Executive Officer, or President of Bankshares. This Agreement replaces and supersedes any prior agreements, written or oral, relating to the subject matter hereof, and all such agreements are hereby terminated and are without any further legal force or effect. No waiver by either party hereto at any time of any breach by the other party hereto of, or of compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party that are not expressly set forth in this Agreement except for the Employment Agreement of even date herewith.

14. Arbitration/Venue.

(a) Both the Company and the Executive acknowledge and agree that any dispute or controversy arising out of, relating to, or in connection with the Executive's employment or this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof, shall be settled by binding arbitration unless otherwise required by law, to be held in Richmond, Virginia in accordance with the National Rules for the Resolution of Employment Disputes then in effect of the American Arbitration Association. The arbitrator

may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court having jurisdiction. The party against whom the arbitrator(s) shall render an award shall pay the other party's reasonable attorneys' fees and other reasonable costs and expenses in connection with the enforcement of its rights under this Agreement (including the enforcement of any arbitration award in court), unless and to the extent the arbitrator(s) shall determine that, under the circumstances, recovery by the prevailing party of all or a part of any such fees and costs and expenses would be unjust.

(b) The arbitrator(s) shall apply Virginia law to the merits of any dispute or claim, without reference to rules of conflicts of law.

(c) The parties may apply to any court of competent jurisdiction for a temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this arbitration agreement and without abridgment of the powers of the arbitrator. To the extent any dispute between the parties is or becomes part of a judicial proceeding, the exclusive venue for any such proceeding shall be the Circuit Court of Henrico County, Virginia or the federal district court in Richmond, Virginia, selected at the option of the Company and to which the Executive waives all objections and consent to personal jurisdiction.

(d) THE EXECUTIVE HEREBY CONFIRMS THE EXECUTIVE HAS READ AND UNDERSTANDS THIS SECTION 14, WHICH DISCUSSES ARBITRATION, AND UNDERSTANDS THAT BY SIGNING THIS AGREEMENT, THE EXECUTIVE AGREES, EXCEPT AS PROVIDED IN SECTION 14(c), TO SUBMIT ANY CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH THE EXECUTIVE'S EMPLOYMENT, THIS AGREEMENT, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE, BREACH OR TERMINATION THEREOF TO BINDING ARBITRATION, UNLESS OTHERWISE REQUIRED BY LAW, AND THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF THE EXECUTIVE'S RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF THE EXECUTIVE'S RELATIONSHIP WITH THE COMPANY.

15. Validity/Severability

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect. . Should any part of this Agreement be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in full force and effect as if the Agreement had been executed without the illegal, invalid or unenforceable portion.

16. Deferred Compensation Omnibus Provision.

(a) It is intended that payments and benefits under this Agreement that are considered to be deferred compensation subject to Section 409A of the Code shall be provided and paid in a manner, and at such time and in such form, as complies with the applicable requirements of Section 409A of the Code to avoid the unfavorable tax consequences provided for therein for non-compliance. Notwithstanding any other provision of this Agreement, Bankshares' Compensation Committee or Board is authorized to amend this Agreement, to amend or void any election made by the Executive under this Agreement and/or to delay the payment of any monies and/or provision of any benefits in such manner as may be determined by it to be necessary or appropriate to comply with Section 409A of the Code. For purposes of this Agreement, all rights to payments and benefits hereunder shall be treated as rights to receive a series of separate payments and benefits to the fullest extent allowed by Section 409A of the Code.

(b) If the Executive is deemed on the date of separation of service with the Company to be a "specified employee," as defined in Section 409A(a)(2)(B) of the Code, then payment of any amount or provision of any benefit under this Agreement that is considered deferred compensation subject to Section 409A of the Code shall not be made or provided prior to the earlier of (A) the expiration of the six-month period measured from the date of separation of service or (B) the date of death (the "409A Deferral Period").

(c) In the case of benefits that are subject to Section 409A of the Code, the Executive may pay the cost of benefit coverage, and thereby obtain benefits, during the 409A Deferral Period and then be reimbursed by the Company when the 409A Deferral Period ends. Not later than ten (10) days after the end of the 409A Deferral Period, all payments delayed pursuant to this Section 16 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided as originally scheduled.

(d) "Termination of employment" shall have the same meaning as "separation of service," as that phrase is defined in Section 409A of the Code (taking into account all rules and presumptions provided for in the Section 409A regulations).

(e) When, if ever, a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within sixty (60) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(f) Notwithstanding any of the provisions of this Agreement, neither the Company the Company's affiliates, nor any of the Company's officers, directors, employees, agents or representatives shall be liable to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A of the Code otherwise fails to comply with, or be exempt from, the requirements of Section 409A of the Code.

17. Withholding. All payments required to be made by the Company hereunder to Executive shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine should be withheld pursuant to any applicable law or regulation.

18. Clawback. The Executive agrees that any incentive based compensation or award that he receives, or has received, from the Company or its Affiliates under this Agreement or otherwise, will be subject to clawback by the Company as may be required by applicable law or stock exchange listing requirement and on such basis as the Board determines, but in no event with a look-back period of more than three years, unless required by applicable law or stock exchange listing requirement.

19. Counterparts; Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. In the event that any signature is executed or delivered by means of an electronic signature (such as DocuSign), facsimile or scanned pages via electronic mail, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such electronic signature, facsimile or scanned pages were the original signed version thereof delivered in person.

20. No Construction Against Any Party. This Agreement is the product of informed negotiations between parties. If any part of this Agreement is deemed to be unclear or ambiguous, it shall be construed as if it were drafted jointly by all parties. The parties agree neither party was in a superior bargaining position regarding the substantive terms of this Agreement.

21. Interpretation. Words importing any gender include all genders. Words importing the singular form shall include the plural and vice versa. The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Agreement. Any captions, titles or headings preceding the text of any article, section or subsection herein are solely for convenience of reference and shall not constitute part of this Agreement or affect its meaning, construction or effect. Any reference to "days" shall refer to calendar days unless specifically provided otherwise.

[Signatures follow on next page.]

IN WITNESS WHEREOF, this Agreement has been executed by a duly authorized officer of each of Atlantic Union Bankshares Corporation and Atlantic Union Bank and by the Executive, as of the date first above written.

ATLANTIC UNION BANKSHARES CORPORATION

By: /s/ Ronald L. Tillett
Ronald L. Tillett
Chairman of the Board

ATLANTIC UNION BANK

By: /s/ Ronald L. Tillett
Ronald L. Tillett
Chairman of the Board

EXECUTIVE

By: /s/ John Asbury
John C. Asbury

EXHIBIT 1

BENEFICIARY DESIGNATION

I hereby designate the following person(s) as a beneficiary for the purposes of Section 6(b) to the extent of the percentage interest listed next to their name:

NAME	PERCENTAGE INTEREST
TOTAL (CANNOT EXCEED 100%)	

Exhibit 10.27

ATLANTIC UNION BANKSHARES CORPORATION
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 Atlantic Union Bankshares Corporation Stock and Incentive Plan, as amended from time to time (the “Plan”), and evidences the grant, and the terms, conditions and restrictions pertaining thereto, of Performance Share Units to <<NAME>> (the “Participant”).

WHEREAS, Atlantic 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.

(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>> as of the last day of the Performance Period.

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, except as provided in Section 5(b) below, 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 with the consent of the Committee or its delegate, 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, except as provided below, 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. Notwithstanding the first sentence of this Section 5(b)(ii)(B), the Committee [***for non-Section 16 officers***: or its delegate] may, in its sole discretion, waive the requirement of the non-competition agreement and, in such case, such Pro-Rata Portion 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)(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 [***for non-Section 16 officers***: or its delegate] 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 its deems appropriate, which may include requiring the Participant, if not already subject to a non-competition covenant pursuant to an existing agreement with the Company or a subsidiary, to execute and deliver to the Company, no later than the date of termination of employment, a non-competition agreement in a form acceptable to the Company; 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-ration. 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) Certain Other Terminations: If the Participant's employment with the Company and its subsidiaries is terminated prior to the Payment Date and the Participant is eligible to receive severance benefits under an employment agreement between the Participant and the Company or a subsidiary or severance pay under the Atlantic Union Bankshares Corporation Executive Severance Plan and the Participant has signed, submitted and not revoked any release agreement required thereunder, 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)(iv) shall be paid to the Participant on the Payment Date as defined in Section 5(a).

(v) 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)-(iv) or Section 7, shall be determined under this Section 5(b)(v). 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 and shall be paid upon the Change in Control. For purposes of this Agreement, a Change in Control (as defined in the Plan) will be deemed to have occurred with respect to the Participant only if an event relating to the Change in Control constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Treas. Reg. Section 1.409A-3(i)(5) (applied whether or not the Performance Share Units are subject to or exempt from Code Section 409A).

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, termination of employment, 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). Payment only may be delayed by the Company to the extent permitted by Code Section 409A although no interest shall be payable in the event there is a delay for any reason. 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 and any such withholding will be accomplished in compliance with Code Section 409A to the extent applicable. 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 equal to the amount of tax to be withheld 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 equal to the amount of tax to be withheld 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:

    Atlantic 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. 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 the terms of the Company's Compensation Clawback Policy or similar policy as such may be in effect from time to time, as well as any similar provisions of applicable federal law or regulation and any applicable listing standard of the national securities exchange on which the Common Stock is listed, which could in certain circumstances require repayment or forfeiture of the Performance Share Units or Performance Shares.

19. Code Section 409A. The provisions of Section 17.15 of the Plan are hereby incorporated by reference. Notwithstanding the foregoing, the Company shall not be liable to the Participant in the event this Agreement fails to be exempt from, or comply with, Code Section 409A.

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.

ATLANTIC UNION BANKSHARES CORPORATION

By: /s/ Date: <<GRANT DATE>>

<<OFFICER NAME>>
<<OFFICER TITLE>>

Exhibit 10.28

ATLANTIC UNION BANKSHARES CORPORATION
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 Atlantic Union Bankshares Corporation Stock and Incentive Plan, as amended from time to time (the "Plan"), and evidences the grant, and the terms, conditions and restrictions pertaining thereto, of Restricted Stock to <<NAME>> (the "Participant").

WHEREAS, Atlantic 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)
<<VESTING SCHEDULE>>	<<PERCENTAGES>>

(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 and the Participant is eligible to receive severance benefits under an employment agreement between the Participant and the Company or a subsidiary or severance pay under the Atlantic Union Bankshares Corporation Executive Severance Plan and the Participant has signed, submitted and not revoked any release agreement required thereunder, any remaining unvested Award Shares at the date of such termination of employment shall automatically be Vested on the date any such release agreement becomes irrevocable.

(iii) 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 with the consent of the Committee or its delegate and provided no Cause (as defined below) exists to terminate his employment ("Normal Retirement"), or due to retirement that does not meet the standard for Normal Retirement and provided no Cause exists to terminate his employment, then the Committee [***for non-Section 16 officers***: or its delegate] 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 its deems appropriate subject to such new restrictions, if any, applicable to the Award Shares as it deems appropriate, which may include requiring the Participant, if not already subject to a non-competition covenant pursuant to an existing agreement with the Company or a subsidiary, to execute and deliver to the Company, no later than the date of such termination of employment, a non-competition agreement in a form acceptable to the Company.

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.

(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 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 Atlantic Union Bankshares Corporation Stock and Incentive Plan, 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 Atlantic 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. In accordance with procedures established by the Committee, 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. In accordance with procedures established by the Committee, 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:

Atlantic 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.

ATLANTIC UNION BANKSHARES CORPORATION

By: _________________________ Date: <<GRANT DATE>>

<<OFFICER NAME>>
<<OFFICER TITLE>>

Exhibit 21.1

Subsidiaries of Atlantic Union Bankshares Corporation

Subsidiary	**State of Incorporation or Organization**
Atlantic Union Bank	Virginia
Atlantic Union Equipment Finance, Inc.	Virginia
AUB Investments, Inc.	Delaware
Dixon, Hubard, Feinour, & Brown, Inc.	Virginia
Atlantic Union Financial Consultants, LLC (formerly, Middleburg Investment Services, LLC)	Virginia
Union Insurance Group, LLC	Virginia

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements, as listed below, of Atlantic Union Bankshares Corporation and in the related Prospectuses, where applicable, of our reports dated February 25, 2022, with respect to the consolidated financial statements of Atlantic Union Bankshares Corporation and the effectiveness of internal control over financial reporting of Atlantic Union Bankshares Corporation, included in this Annual Report (Form 10-K) of Atlantic Union Bankshares Corporation for the year ended December 31, 2021.

Registration Statement Numbers	Form	Description
333-248544	Form S-3	Common Stock, Preferred Stock, Debt Securities, Warrants, Purchase Contracts, Units
333-102012	Form S-3	Common stock
333-81199	Form S-3	Common stock
333-255994	Form S-8	Atlantic Union Bankshares Corporation Stock and Incentive Plan (as amended and restated effective May 4, 2021)
333-203580	Form S-8	Union Bankshares Corporation Stock and Incentive Plan
333-193364	Form S-8	FNB Corporation 2000 Incentive Stock Plan, FNB Corporation 2006 Incentive Stock Plan, StellarOne Corporation Stock Incentive Plan and StellarOne Corporation Stock and Incentive Compensation Plan
333-175808	Form S-8	Union First Market Bankshares Corporation 2011 Stock Incentive Plan
333-113842	Form S-8	Union Bankshares Corporation Non-Employee Directors’ Stock Plan
333-113839	Form S-8	Union Bankshares Corporation 2003 Stock Incentive Plan
333-228455	Form S-8 via post-effective amendment to Form S-4	Access National Corporation 2017 Equity Compensation Plan and Access National Corporation 2009 Stock Option Plan

/s/ Ernst & Young LLP

Richmond, Virginia
February 25, 2022

Exhibit 31.1

CERTIFICATIONS

I, John C. Asbury, certify that:

1. I have reviewed this annual report on Form 10-K of Atlantic Union Bankshares Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

> (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
>
> (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
>
> (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
>
> (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

> (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
>
> (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2022

/s/ John C. Asbury

John C. Asbury,
President and Chief Executive Officer

A signed original of this written statement required by Section 302 of the Sarbanes-Oxley Act of 2002 has been provided to Atlantic Union Bankshares Corporation and will be retained by Atlantic Union Bankshares Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 31.2

CERTIFICATIONS

I, Robert M. Gorman, certify that:

1. I have reviewed this annual report on Form 10-K of Atlantic Union Bankshares Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2022

/s/ Robert M. Gorman

Robert M. Gorman,
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 302 of the Sarbanes-Oxley Act of 2002 has been provided to Atlantic Union Bankshares Corporation and will be retained by Atlantic Union Bankshares Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Atlantic Union Bankshares Corporation (the "Company") on Form 10-K for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned Chief Executive Officer and Chief Financial Officer of the Company hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 that based on their knowledge and belief: 1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and 2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods covered in the Report.

/s/ John C. Asbury

John C. Asbury, President and Chief Executive Officer

February 25, 2022

/s/ Robert M. Gorman

Robert M. Gorman, Executive Vice President and Chief Financial Officer

February 25, 2022

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Atlantic Union Bankshares Corporation and will be retained by Atlantic Union Bankshares Corporation and furnished to the Securities and Exchange Commission or its staff upon request.