

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

FORM 8-K

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

Date of Report (Date of earliest event reported): (December 20, 2021)

**CAPITAL BANCORP, INC.**  
(Exact name of registrant as specified in its charter)

Maryland  
(State or other jurisdiction of incorporation or organization)

001-38671  
(Commission file number)

52-2083046  
(IRS Employer Identification No.)

2275 Research Boulevard, Suite 600, Rockville, Maryland 20850  
(Address of principal executive offices) (Zip Code)

(301) 468-8848  
Registrant's telephone number, including area code

Not Applicable  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☒

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

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	CBNK	NASDAQ Stock Market

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

On December 20, 2021, Stephen N. Ashman provided notice of his intention to retire from the Boards of Directors of Capital Bancorp, Inc. (the “Company”) and its wholly-owned subsidiary, Capital Bank, N.A. (the “Bank”), as well as from any committees of such Boards of Directors on which he serves, effective December 31, 2021. Mr. Ashman serves as the Lead Director of the Bank, and as a member of the Audit Committee, Compensation Committee and Executive Committee of the Company’s Board of Directors. In addition, Mr. Ashman is a member of the Bank’s Executive, Special Asset, Audit, Executive, Human Resources, Loan and Asset/Liability Committees. In connection with Mr. Ashman’s retirement and his years of service to the Company and the Bank, the Company’s Board of Directors awarded Mr. Ashman with a one-time bonus of \$200,000. In addition, Mr. Ashman agreed to the forfeiture of all of his outstanding unexercised stock options. Mr. Ashman’s decision to retire did not involve any disagreement with Company management or the Boards of Directors on any matter relating to the Company’s or the Bank’s operations, policies or practices.

On December 21, 2021, the Board of Directors of the Company, upon the recommendation of its Nominating and Corporate Governance Committee, approved the appointment of Jerome R. Bailey as a Class III director on the Company’s Board of Directors, effective as of December 31, 2021, to fill the vacancy following Mr. Ashman’s retirement. Mr. Bailey currently serves as a member of the Bank’s Board of Directors.

Mr. Bailey is considered an independent director under the applicable Securities and Exchange Commission and NASDAQ rules. He is also considered an underrepresented minority under NASDAQ’s recently approved rules for diverse board representation.

As a Class III director, Mr. Bailey will be subject to re-election at the Company’s annual meeting of stockholders to be held in 2023.

There are no arrangements or understandings between Mr. Bailey and any other person pursuant to which he was selected as director. Mr. Bailey will receive the same compensation as currently paid to the Company’s other Board members.

**Item 7.01. Regulation FD Disclosure.**

On December 27, 2021, the Company issued a press release announcing the resignation of Mr. Ashman and the appointment of Mr. Bailey. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K (“Current Report”).

The information furnished under Item 7.01 and Item 9.01 of this Current Report, including Exhibit 99.1 to this Current Report, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liabilities under that Section, nor shall such information and Exhibit be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

99.1 [Press Release, dated December 27, 2021 \(filed herewith\)](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

## **SIGNATURES**

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

**CAPITAL BANCORP, INC.**

By: /s/ Edward F. Barry

Name: Edward F. Barry

Title: Chief Executive Officer

December 27, 2021

## Capital Bancorp Announces Board of Director Changes

**Rockville, MD, December 27, 2021**—Capital Bancorp, Inc., (NASDAQ: CBNK) (“Capital” or “Company”) the holding company of Capital Bank, N.A. (the “Bank”), continues its proud tradition of strong leadership with the announcement of new board member Jerome Bailey. Bailey is a member of the Bank’s board and managing member of Bailey Real Estate Holdings, LLC in Washington, D.C., and has been a leader in the multifamily, affordable housing industry in the D.C. area for nearly two decades.

“We are pleased to have Jerome Bailey join us on the holding company board. Over the years, he has proven himself a seasoned and capable entrepreneur starting his own real estate development company while focusing on his many philanthropic initiatives to uplift the community in which he lives,” said Steven Schwartz, Chairman of the Board of Capital.

Since 2013, Bailey has held the position of Vice Chairman of the Board of the Bank as well as Chairman of the Board Loan Committee. “At age 45, Bailey brings a wealth of experience and a fresh perspective to the board. He is well known in real estate development and construction in the metropolitan D.C. area, and his vast knowledge and intellect will be an exceptional complement to the directors of the Bank,” added Schwartz.

Retiring from the board is Stephen Ashman. At various times, Ashman served as CEO of the Bank and Capital, and as chairman of both boards—including when Capital went public in 2018. “Throughout Ashman’s tenure at Capital Bank, collaboration between the board and executive team has grown the Bank to an impressive \$2.2 billion,” said Schwartz. “That’s a testament to Ashman’s invaluable recruitment and tutelage of other directors, his role with the multiple FDIC-assisted acquisitions completed during his tenure, and his recruitment of key C-suite employees.”

Ed Barry, CEO of the Company added, “Capital Bancorp is well positioned to continue its phenomenal growth with board members of exceptional caliber. We look forward to what Jerome Bailey will bring to the table in terms of growth, new initiatives and all holding company matters, partnered with executive leadership.”

### ABOUT CAPITAL BANCORP, INC.

Capital Bancorp, Inc., Rockville, Maryland is a registered bank holding company incorporated under the laws of Maryland. The Company’s wholly-owned subsidiary, Capital Bank, N.A., is the fifth largest bank headquartered in Maryland at September 30, 2020. Capital Bancorp has been providing financial services since 1999 and now operates bank branches in five locations in the greater Washington, D.C. and Baltimore, Maryland markets. Capital Bancorp had assets of approximately \$2.2 billion at September 30, 2021 and its common stock is traded on the NASDAQ Global Select Market under the symbol “CBNK.” More information can be found at the Company’s website [www.CapitalBankMD.com](http://www.CapitalBankMD.com) under its investor relations page.