

**BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM
Washington, DC 20551**

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): **January 12, 2010**

MAINSTREET BANK

(Exact name of registrant as specified in its charter)

VIRGINIA (State or other jurisdiction of incorporation)	N/A (Commission File Number)	47-0914596 (IRS Employer Identification No.)
--	---	---

727 ELDEN STREET HERNDON, VIRGINIA (Address of principal executive offices)	20170 (Zip Code)
---	----------------------------

Registrant's telephone number, including area code **(703) 481-4567**

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 obligation 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))

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

2010 Bonus Payments

On January 12, 2010, the Board of Directors of MainStreet Bank (the “Bank”) approved the award and payment of cash incentive bonuses to President and Chief Executive Officer Jeff W. Dick and Executive Vice President and Chief Financial Officer Thomas J. Chmelik (each an “Executive”) in the amount of \$45,000 and \$30,000, respectively, to be paid no later than January 31, 2010. The Board approved the bonuses in recognition of the Executives’ service to the Bank during 2009, based on a recommendation of the Bank’s Compensation Committee.

Employment Agreements for Executive Officers

On January 15, 2010, the Bank entered into new employment agreements (each an “Agreement”) with Mr. Dick and Mr. Chmelik. Mr. Dick’s Agreement provides for his continued employment as the President and Chief Executive Officer of the Bank, and Mr. Chmelik’s Agreement provides for his continued employment as the Executive Vice President and Chief Financial Officer of the Bank. Each Agreement has an initial term that begins January 15, 2010 and continues until December 31, 2012 (the “Initial Term”), and automatically extends each day thereafter for an additional one year term unless terminated or formally not renewed.

Under his Agreement, Mr. Dick is entitled to an initial base salary of \$230,000, subject to annual review and increase based on Mr. Dick’s performance during the preceding year and other relevant factors. Under his Agreement, Mr. Chmelik is entitled to an initial base salary of \$190,000, subject to annual review and increase based on Mr. Chmelik’s performance during the preceding year and other relevant factors. Each Executive will also be eligible to receive either an annual cash bonus in an amount, if any, determined by the Board of Directors in its discretion or an annual performance-based incentive bonus under the MainStreet Bank Executive Incentive Plan when adopted, and to participate in any deferred compensation program, supplemental executive retirement plan or similar plan that the Bank may implement for its senior executives in the future.

Under the Agreements, the Executives are entitled to participate in all employee benefit plans and programs available to other executives of the Bank and in the Bank’s medical, dental, life and disability plans to the extent offered by the Bank, and in amounts consistent with the Bank’s policy, for other senior executive officers of the Bank. The Bank is also required to maintain a group term insurance policy on the life of each Executive in an amount equal to two times his base salary under the Virginia Bankers Association group term life insurance program. Under each Agreement, the Bank will provide the Executive with a car for use in accordance with the Bank’s applicable policy and will pay all running costs associated with the car.

The Agreements provide for the payment of specified termination compensation to the Executive and/or the immediate vesting of certain unvested equity awards, under certain termination events, including termination of the Executive’s employment by the Bank without cause with or without

a change in control, termination of employment by the Executive for good reason with or without a change in control, and termination of employment due to the Executive's death or disability.

Each Agreement contains provisions prohibiting the Executive from using, disseminating, disclosing or publishing certain confidential information of the Bank and contains covenants by the Executive not to compete with the Bank and not to solicit the Bank's customers or employees, as described with more particularity in each Agreement. If the Executive breaches the confidentiality, non-compete or non-solicitation provisions of his Agreement, then the Executive will not be entitled to receive further payments of the termination compensation provided in his Agreement, and none of his outstanding unvested equity awards will be eligible for accelerated vesting. In addition, in certain situations involving the Executive's breach, the Executive may be required to repay termination compensation previously received under his Agreement and forfeit vested stock and any outstanding equity awards previously received as compensation.

The foregoing description is a summary of the material terms of the Agreements and is qualified in its entirety by reference to the Agreements, copies of which will be filed as exhibits to the Bank's Form 10-K for the fiscal year ended December 31, 2009.

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.

Date: January 19, 2010

MAINSTREET BANK
(Registrant)

By: /S/
Jeff W. Dick
Chairman, Chief Executive Officer and President