

JD BANCSHARES, INC.
P. O. Box 730
1611 Elton Road
Jennings, Louisiana 70546
(337) 824-1422

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders (the "Annual Meeting") of JD Bancshares, Inc. (the "Company") will be held on Tuesday, May 10, 2022, at 2:00 p.m., Central Time, at the main office of JD Bank, located at 1611 Elton Road, Jennings, Louisiana. In light of the continued public health crisis related to the COVID-19 Pandemic, the Company will also permit shareholders with the ability to participate in the annual meeting by remote communication, providing shareholders with the option to attend the meeting either in person or virtually by using the instructions included at the bottom of this notice. The Annual Meeting will convene for the following purposes:

1. To elect twelve (12) directors;
2. To approve the JD Bancshares, Inc. 2022 Omnibus Incentive Plan;
3. To ratify the appointment of Wipfli LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2022; and
4. To transact such other business as may properly come before the meeting and any adjournment thereof.

Only those shareholders of record at the close of business on March 21, 2022 will be entitled to notice of and to vote at the Annual Meeting.

BY ORDER OF THE BOARD OF DIRECTORS



Sara A. Roberts, Secretary

Jennings, Louisiana
April 5, 2022

YOUR VOTE IS IMPORTANT

Your vote is important regardless of the number of shares that you own, and we cordially invite you to attend the meeting in person or by remote communication. However, whether or not you intend to participate, we urge you to execute and return the enclosed proxy at your earliest convenience. This will ensure the presence of a quorum at the Annual Meeting and that your shares are voted in accordance with your wishes. Sending in your proxy will not prevent you from attending the meeting or changing your vote if you desire to do so.

Dial-in instructions for Annual Meeting teleconference:

1. <https://meet.goto.com/355445269>
2. Dial: 408-650-3123
3. When prompted for the meeting access code, dial 355-445-269
4. If you join the meeting prior to its commencement, please wait on the line until the meeting begins.

**PROXY STATEMENT FOR
2022 ANNUAL MEETING OF SHAREHOLDERS
Tuesday, May 10, 2022**

This Proxy Statement is being furnished on or about April 5, 2022 to the shareholders of JD Bancshares, Inc. (the “Company”) in connection with the solicitation of proxies on behalf of the Board of Directors (the “Board”) of the Company for use at the Annual Meeting of Shareholders of the Company (the “Annual Meeting”), to be held on May 10, 2022, at 2:00 p.m., Central Time, and at any adjournment thereof. In light of the continued public health crisis related to the COVID-19 Pandemic, it is in the best interests of the Company to hold a hybrid meeting, which means that the meeting will be held at a physical location, but shareholders will also be permitted to participate in the meeting by remote communication, providing shareholders with the option to attend the meeting either in person or virtually by using the instructions included at the bottom of the Notice of the Annual Meeting.

A Notice of Annual Meeting is attached hereto and a form of proxy relating to the Annual Meeting accompanies this Proxy Statement. The Company is the holding company for, and owns 100% of the capital stock of, JD Bank (the “Bank”).

The Board of the Company has fixed the close of business on March 21, 2022, as the record date (the “Record Date”) for the determination of shareholders entitled to notice of and to vote at the Annual Meeting. As of the Record Date, there were 3,416,260 shares of the Company’s common stock, par value \$6.25 per share (the “Common Stock”), outstanding, each of which is entitled to one vote on each matter presented to the shareholders.

Proxies are solicited to give all shareholders who are entitled to vote on the matters that come before the meeting the opportunity to do so whether or not they choose to attend the meeting. If you are a shareholder of record, you may vote by proxy by using the enclosed form of proxy. If you return a signed proxy without specifying a vote or an abstention with respect to the election of directors, your proxy will be voted FOR the election of the twelve (12) nominees for director listed on the form of proxy, FOR the approval of the JD Bancshares, Inc. 2022 Omnibus Incentive Plan, and FOR the ratification of the appointment of Wipfli LLP (“Wipfli”) as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2022. No other matters are expected to be considered at the Annual Meeting, but if any other matters should properly come before the Annual Meeting, it is intended that proxies in the form accompanying this Proxy Statement will be voted on all such matters in accordance with the judgment of the person(s) voting such proxies.

The expense of preparing, printing and mailing proxy materials to shareholders of the Company will be borne by the Company. In addition to the mail, proxies may be solicited by the directors and officers through telephone, facsimile, internet and e-mail. Such officers and directors will continue to receive any compensation from the Company to which they are entitled by virtue of their employment or status as an officer or director, but will not receive any additional fee, compensation, or other remuneration for soliciting proxies in connection with the Annual Meeting.

PROPOSAL NO. 1 ELECTION OF TWELVE (12) DIRECTORS

The Company’s articles of incorporation and bylaws provide that the number of directors of the Company shall be as determined from time to time by the Board. Each director shall hold office until the next Annual Meeting or until his successor has been duly elected and qualified. The Board currently consists of 12 members.

The Nominating Committee has recommended to the Board and the Board has approved the nomination of the current 12 directors of the Company for reelection to serve as directors until the Company’s 2023 Annual Meeting.

The following table sets forth certain information with respect to each nominee for director. All nominees are presently serving as directors of the Company. Dates prior to 1990 in the table below indicate service as a director of the Bank prior to formation of the Company.

<u>Name</u>	<u>Age</u>	<u>Director Since</u>	<u>Principal Occupation</u>
G. Vincent Bailey	65	1991	Retired OB/GYN Physician and Owner of Bailey Timber, LLC
Clarence A. Berken	70	2000	Retired Farmer
Daryl V. Burckel	62	2009	President of McNeese State University and Professor of Accounting
Andrew Cormier	79	1991	President of Moore's Pump & Services, Inc.
Milton Ray Crochet	73	2009	Owner/President of SWD, Inc. and Calcasieu Rentals, Inc.
Dan L. Donald, Jr.	76	1979	Chairman of Company and Bank
David B. Donald	71	1988	Vice Chairman of Company and Bank
Bruce W. Elder	59	2020	President and Chief Executive Officer of Company and Bank
Ray Hines	82	1996	Owner/President of Scoboco, Inc.
Thomas E. Leger	67	2009	Owner/President Thomas E. Leger, DDS
Sara A. Roberts	61	2000	Owner/President of Sara A. Roberts, CPA, APAC; Secretary of the Board of Directors of Company and Bank
Terry J. Terrebonne	79	1986	Retired Administrator and Chief Executive Officer of the Jennings American Legion Hospital

Unless authority is expressly withheld, the proxy holders will vote the proxies received by them "FOR" the 12 director nominees listed above. Directors must be elected by a plurality of the votes validly cast in such election at the Annual Meeting. Abstentions on this proposal will be counted for quorum purposes but not voted.

Although each nominee has consented to being named in this proxy statement and to serve if elected, if any nominee should prior to the Annual Meeting decline or become unable to serve as a director, the proxies will be voted by the proxy holders for such other person as may be designated by the present Board, or if no such person is designated, only for the remaining nominees.

The Board unanimously recommends a vote "FOR" the persons nominated by the Board to serve as directors until the 2023 Annual Meeting of Shareholders.

PROPOSAL NO 2. APPROVAL OF JD BANCSHARES, INC. 2022 OMNIBUS INCENTIVE PLAN

The Company is asking the shareholders to approve the JD Bancshares, Inc. 2022 Omnibus Incentive Plan (the "2022 Plan"). The 2022 Plan was unanimously approved by the Board on February 22, 2022 and would become effective upon its approval by the shareholders at the annual meeting. The Board believes that equity-based incentive compensation programs are an important element of the continued financial and operational success of the Company and the Bank and that the 2022 Plan will serve the dual purpose of motivating key individuals to achieve performance objectives related to the Company's overall goal of increasing shareholder value and further aligning the interests of these individuals with those of its shareholders. Most of the Company's and Bank's competitors employ a wide range of incentive compensation vehicles, including stock-based incentives, and the Company desires to have the tools in place to be competitive with market practices. Therefore, if the shareholders do not approve the 2022 Plan, the ability of the Company and Bank to attract, retain and reward those who contribute to their long-term success may be materially and adversely affected.

Material terms of the 2022 Plan

The following is a summary of the material terms of the 2022 Plan, but may not contain all of the information that is important to you. A copy of the 2022 Plan is available at no cost to you upon request in writing to the Company's Corporate Secretary. This discussion is qualified in its entirety by reference to the text of the 2022 Plan.

Authorized Shares. The maximum number of shares as to which awards may be granted under the 2022 Plan is equal to 170,000, and all awards issuable under the plan may be granted as incentive stock options. The Company will maintain a reserve for shares of common stock issuable under the plan, which shares would be issued from authorized but unissued shares of the Company's common stock.

Administration. The 2022 Plan is to be administered, construed and interpreted by the Board or any committee of the Board tasked with the administration of the plan. At this time, the Company anticipates that the Personnel Committee of the Board (the "Committee") will administer the plan. The Committee will, among other things, select those individuals to be granted awards under the plan; determine the type, size and terms of any award to be granted; establish performance objectives; determine the manner in which awards may be exercised, settled, cancelled, forfeited or suspended; prescribe the forms of all award agreements; interpret the plan and decide any questions or disputes that may arise in connection with the plan; and perform all other acts necessary or advisable for the administration of the plan. Subject to certain limitations described in the plan, the Committee may also delegate to one or more of its members or to one or more officers, or to one or more agents or advisors, administrative duties or powers to designate employees to receive awards under the plan and determine the size of any such awards.

Except in connection with certain corporate transactions described in the 2022 Plan, the terms of outstanding awards may not be amended to reduce the exercise price of any outstanding option or stock appreciation right, or cancel outstanding options or stock appreciation rights in exchange for cash, other awards, or options or stock appreciation rights with an exercise price that is less than the exercise price of the original option or stock appreciation right, as applicable, without shareholder approval. This restriction is intended to prohibit the repricing of "underwater" option rights and stock appreciation rights and will not be construed to prohibit the adjustments in connection with certain corporate transactions provided for in the plan.

Eligibility. Generally, any person employed by, or performing services for, or making contributions to, the Company or the Bank, including non-employee directors, will be eligible to receive awards under the 2022 Plan. The Committee will determine from time to time the participants to whom awards will be granted.

Term. Subject to the approval of the shareholders at the annual meeting, the 2022 Plan would become effective May 10, 2022 and would terminate ten years from the effective date, although the Board may, in its discretion, terminate the plan at any time. In either event, termination will not affect the rights of participants with respect to any awards then outstanding under the plan.

Types of Awards. The 2022 Plan provides for the granting of stock options, stock appreciation rights, restricted stock, restricted stock units and other stock-based awards. Each award under the plan will be made under an agreement containing such terms and provisions, consistent with the plan, as the Committee may approve. A summary of the type of awards issuable under the plan is discussed below.

Stock Options. Stock options provide the recipient with the right to purchase shares of common stock at a price not less than their fair market value on the date of the grant. The exercise price may be paid in cash or its equivalent, by cashless exercise, or any other method approved by the Committee. Stock options granted under the 2022 plan may be stock options that are intended to qualify as incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, or the Code. Incentive stock options may be granted only to participants who meet the definition of “employees” under the Code. In addition, the exercise price of an incentive stock option issued to a 10% or greater shareholder may not be less than 110% of the fair market value of the stock on the date the stock option is granted.

No stock option issued under the plan may be exercised more than 10 years from the date of grant or, in the case of an incentive stock option granted to a 10% shareholder, more than 5 years from the date of grant. Each grant of a stock option will specify the period of continuous service that is necessary before the option right becomes exercisable. Any grant of stock options may specify management objectives that must be achieved as a condition to exercise the option rights. Stock options will not provide for any dividends or dividend equivalents.

Restricted Stock. A grant of restricted stock constitutes an immediate transfer of ownership of the shares of common stock to the recipient, subject to certain restrictions determined by the Committee that will lapse upon the satisfaction of those conditions and restrictions. Upon the satisfaction of those conditions and restrictions, the shares will become freely transferable by the recipient. Any grant of restricted stock may specify performance measures which, if achieved, will result in termination or early termination of the restrictions applicable to such shares. The transferability of restricted stock is prohibited or restricted in a manner prescribed by the Committee on the date of grant for the period during which such forfeiture provisions are to continue.

Unless the applicable award agreement provides otherwise, holders of restricted stock will have full voting rights with respect to the shares, and the right to receive dividends and other distributions, during the period of restriction, except in the case of an award as to which vesting depends upon the satisfaction of one or more performance conditions, in which case the dividends will be subject to the same performance conditions. In addition, any stock dividend paid on shares of restricted stock will be subject to the same terms and conditions as the underlying restricted stock.

Restricted Stock Units. A grant of restricted stock units constitutes an agreement by us to deliver shares of common stock or cash to the recipient in the future upon the completion of service, performance conditions or other terms and conditions specified in the award agreement. During the applicable restriction period, the recipient may not transfer any rights under the award, will have no rights of ownership in any shares of common stock deliverable upon payment of the restricted stock units, and will have no right to vote or collect dividends with respect to any shares underlying the units. The Committee may, at the time of grant, authorize the payment of dividend equivalents on restricted stock units.

Stock Appreciation Rights. Stock appreciation rights provide the recipient with the right to receive from us the excess, if any, of the fair market value of one share of common stock on the date of exercise, over the exercise price of the stock appreciation right. Under the 2022 Plan, the exercise price of a stock appreciation right may not be less than the fair market value of our common stock on the grant date. The term of a stock appreciation right may not extend beyond 10 years from the grant date. When exercised, appreciation rights may be paid by us in cash, securities or other property, including our common stock. Any grant of appreciation rights may specify performance measures that must be achieved as a condition to exercising such rights, waiting periods before stock appreciation rights become exercisable and permissible dates or periods on or during which appreciation rights are exercisable. Stock appreciation rights may not provide for any dividends or dividend equivalents.

Other Stock-Based Awards. The 2022 Plan also provides for the issuance of other equity-based or equity-related awards other than those described above, which may involve the transfer of unrestricted shares to participants or payment in cash or otherwise based on the value of our common stock.

Fair Market Value. For purposes of setting the exercise price of any option or stock appreciation right granted under the 2022 Plan, or for any other matter, we expect “fair market value” to be determined based on pricing quotations for the Company’s common stock derived from the OTCQX, and if not available, fair market value would be determined in good faith by the Committee.

Rights as a Shareholder. Unless the Committee determines otherwise, a participant will not have any rights as a shareholder with respect to shares covered by an award until the date that the participant becomes the holder of record with respect to such shares.

Transferability. Unless otherwise determined by the Committee, awards granted under the 2022 Plan may not be transferred except by will or the laws of descent and distribution. During a participant’s lifetime, any options or awards granted under the plan may be exercised only by the participant or, if the participant lacks competence at such time, by the participant’s legal guardian.

Certain Adjustments. In the event of certain corporate events or transactions described in the 2022 Plan, the Committee, in its sole discretion, in order to prevent unintended dilution or enlargement of a participant’s rights under the plan, may substitute or adjust, among other things: (1) the maximum number of shares subject to awards under the plan; (2) any limits on the number of awards that may be granted to a participant; (3) the number or kind of shares subject to an award; (4) the exercise price applicable to any award; (5) any measure of performance that relates to an award to reflect the change in the shares; and (6) any other affected terms of any award. The corporate events or transactions contemplated by this authority include a merger, consolidation, reorganization, recapitalization, stock dividend, stock split, reverse stock split, spin-off, combination of shares, exchange of shares, or other like corporate change.

Change in Control. Subject to certain exceptions, the 2022 Plan defines a “change in control” to mean, with respect to the Company, a change in the ownership, a change in the effective control or a change in the ownership of a substantial portion of the assets, in each case as provided under Section 409A of the Code and the regulations thereunder. Unless otherwise provided in the award agreement or unless the definitive agreement with respect to a “change in control” transaction provides that the awards will be assumed by the acquiring entity, immediately prior to a change in control, all outstanding awards will become fully vested and exercisable, any restrictions that apply to such awards will lapse, and any performance-based award will be deemed to be satisfied at the target level, although the amount payable with respect to any performance-based award will be prorated based upon the portion of the performance period that had been completed as of the date of the change in control. Participants holding outstanding options and stock appreciation rights would generally be entitled to receive a payment equal to the difference between the consideration to be received by shareholders in the change in control transaction and the exercise price of the applicable option or stock appreciation right, if that difference is positive. Participants holding other stock-based awards would generally be entitled to receive the consideration that the participant would have received in the change in control transaction had he or she been, immediately prior to such transaction, a holder of the number of shares equal to the number of shares covered by the stock-based award.

Amendment and Termination. The 2022 Plan may generally be amended, altered, or discontinued by the Board or the Committee without the consent of the participants, except that no amendment that requires shareholder approval under applicable laws or regulations or under any

rules promulgated by any stock exchange or quotation system on which shares of the Company's common stock are listed will be effective unless the amendment has been approved by the requisite vote of the Company's shareholders.

In addition, the Company may generally amend outstanding awards under the 2022 Plan without shareholder approval, except that: (1) the amendment or termination may not, without the participant's consent, reduce or diminish the value of the award determined as if the award had been exercised, vested, cashed in or otherwise settled on the date of the amendment or termination; (2) the exercise price of an option or a stock appreciation right may not be reduced, directly or indirectly, without the prior approval of our shareholders, except for adjustments required under the plan; and (3) no termination, amendment, or modification of the plan will adversely affect any award previously made under the plan, without the written consent of the participant affected thereby.

Other factors to consider

Key Provisions of the 2022 Plan. The plan includes a number of provisions designed to serve shareholders' interests and facilitate effective corporate governance, including the following:

- *No Stock Option Repricing/Exchange.* The repricing of options or the exchange of underwater options for cash or other awards is prohibited under the plan without shareholder approval.
- *No Discounted Awards.* Awards having an exercise price will not be granted with an exercise price less than the fair market value of the Company's common stock on the date of grant.
- *No "Evergreen" Provision.* The plan does not contain an "evergreen" or similar provision and fixes the number of shares available for future grants. The plan does not provide for any increase based on increases in the number of outstanding shares of common stock (other than through stock splits or similar events).
- *Clawback rights.* The plan enables the Company to provide for the clawback of awards issued under the plan under certain circumstances.

Share Counting. The following factors affect the number of shares as to which equity awards may be granted under the 2022 Plan:

- Each share covered by an award will be counted as one share utilized under the plan only to the extent that such share is issued.
- Shares related to any award granted under the plan that terminates by expiration, forfeiture, cancellation or otherwise without the issuance of shares, is settled in cash in lieu of shares, or is exchanged with the Committee's permission, prior to the issuance of shares, for an award not involving shares will be available for future grants of awards under the plan.
- Shares withheld from an award to satisfy tax withholding requirements, or utilized to effect a net exercise of a stock option, if permitted, will not be added back to the number of shares remaining available for issuance in connection with awards under the plan.
- Upon the exercise of a stock appreciation right that is settled in shares, the full number of stock appreciation rights (rather than the net number of shares actually delivered upon

exercise) will count against the number of shares remaining available for issuance under the plan.

- Shares delivered under the plan as an award or in settlement of an award issued or made upon the assumption, substitution, conversion or replacement of outstanding awards under a plan or arrangement of an entity acquired in a merger or other acquisition, or as a post-transaction grant under such a plan or arrangement of an acquired entity, will not count against or reduce the maximum number of shares available for delivery under the plan, subject to applicable stock exchange requirements.
- Available shares under a shareholder approved plan of an acquired company (as appropriately adjusted to reflect the transaction) may be used for awards under the plan and do not reduce the maximum number of shares available for grant under the plan, subject to applicable stock exchange requirements.

The Board unanimously recommends a vote *“FOR”* the proposal to approve the JD Bancshares, Inc. 2022 Omnibus Incentive Plan.

PROPOSAL NO 3. RATIFY THE APPOINTMENT OF WIPFLI LLP AS THE COMPANY’S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2022

Pursuant to the recommendation of the Audit Committee, the Board has appointed Wipfli LLP (“Wipfli”) as the independent registered public accounting firm of the Company for the year ending December 31, 2022.

At the annual meeting, the shareholders will be asked to consider and act upon a proposal to ratify the appointment of Wipfli. The ratification of such appointment will require the affirmative vote of the holders of a majority of the outstanding shares of common stock entitled to vote or represented by proxy at the annual meeting. Representatives of Wipfli are expected to be present at the annual meeting, will be given an opportunity to make a statement (if they desire to do so), and are expected to be available to respond to appropriate questions.

Although the Company’s bylaws do not require that the shareholders approve the appointment of the Company’s independent registered public accounting firm, the Audit Committee is submitting the selection of Wipfli to the shareholders for ratification as a matter of good corporate practice. If the shareholders vote against the ratification of Wipfli, the Audit Committee will consider this in its selection of auditors for the following year. Even if the shareholders ratify the appointment, the Audit Committee may choose to appoint a different independent registered public accounting firm at any time during the year if it is determined that such a change would be in the best interests of the Company.

The Board unanimously recommends a vote *“FOR”* the proposal to ratify Wipfli LLP as the independent registered public accounting firm for the Company for the year ending December 31, 2022.

OTHER MATTERS

The Board does not know of any matters to be presented at the meeting other than those set forth in the accompanying notice. However, if any other matters properly come before the annual meeting or any adjournments or postponements thereof, the proxy holders will vote or abstain thereon in their discretion.

SECURITIES OWNED BY PRINCIPAL SHAREHOLDERS AND MANAGEMENT

The following table sets forth, as of the Record Date, certain information relating to the beneficial ownership, direct and indirect, of shares of outstanding common stock of the Company by each director of the Company and all directors and executive officers of the Company as a group. Unless otherwise indicated, all shares indicated as beneficially owned are held with sole voting and investment power, subject to applicable community property laws. Except as provided below, no shareholder owns beneficially more than five percent of the outstanding common stock of the Company. The table below is based on 3,416,260 shares outstanding as of March 21, 2022.

	<u>Number of Shares</u> <u>Beneficially Owned</u>	<u>Percentage</u> <u>Beneficially</u> <u>Owned</u>
Directors		
G. Vincent Bailey	65,294	1.91%
Clarence A. Berken	4,710	*
Daryl V. Burckel	4,400	*
Andrew Cormier	80,000	2.34%
Milton Ray Crochet	4,910	*
Dan L. Donald, Jr.	312,558	9.15%
David B. Donald	197,560	5.78%
Bruce W. Elder	5,735	*
Ray Hines	20,272	*
Thomas E. Leger	18,363	*
Sara A. Roberts	7,660	*
Terry J. Terrebonne	22,732	*
All Directors and Executive Officers as a Group (13 persons)	751,951	22.01%

* Beneficial ownership of less than 1%.

ANNUAL REPORT

A copy of the Company's audited financial statements for the year ended December 31, 2021, is being mailed to all shareholders of record with this Proxy Statement, but is not considered to be a part of this Proxy Statement. The Company's Annual Report is available free of charge on our website, www.jdbank.com, under "Investor Relations."

