1943 ISAAC NEWTON SQUARE
SUITE 100
RESTON, VIRGINIA 20190
703-584-0840

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To be held June 21, 2016

TO THE SHAREHOLDERS OF JOHN MARSHALL BANK:

The Annual Meeting of Shareholders of John Marshall Bank (the "Bank"), will be held at:

Sheraton Reston Hotel
11810 Sunrise Valley Drive
Reston, Virginia 20190

on Tuesday, June 21, 2016, at 10:00 a.m. for the following purposes:

1. To elect ten (10) directors to serve until the 2017 Annual Meeting of Shareholders and until their successors are duly elected and qualified;

2. To vote on a proposed Agreement and Plan of Share Exchange, as a result of which each share of the common stock of the Bank will be exchanged for one (1) share of the common stock of John Marshall Bancorp, Inc., a company formed to be the holding company of the Bank;

3. To ratify the appointment of Yount, Hyde & Barbour, P.C. as the Bank's independent registered public accountants for the year ended December 31, 2016;

4. To approve a proposal, if necessary, to adjourn the meeting to permit the further solicitation of proxies if there are not sufficient votes at the time of the meeting to achieve a quorum or approve the Agreement and Plan of Share Exchange; and

5. To transact any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

Holders of Bank common stock will have the right to assert appraisal rights and to obtain payment of the fair value of such holder's shares.

Shareholders of record as of the close of business on April 15, 2016 are entitled to notice of and to vote at the meeting or any adjournment or postponement of the meeting.

By Order of the Board of Directors

John R. Maxwell
Chairman and Chief Executive Officer

May 6, 2016

YOUR VOTE IS VERY IMPORTANT. Whether or not you plan to attend the meeting, we urge you to vote and submit your proxy in order to ensure the presence of a quorum. You may vote your proxy by internet, phone or mail. If you attend the meeting, you may, if you desire, revoke your proxy and vote in person. If your shares are not registered in your name, you will need additional documentation from your recordholder in order to vote in person at the meeting.

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SUITE 100
RESTON, VIRGINIA 20190

ANNUAL MEETING OF SHAREHOLDERS
Proxy Statement

INTRODUCTION

This proxy statement is being sent to shareholders of John Marshall Bank, a Virginia chartered commercial bank (the "Bank"), in connection with the solicitation of proxies by the Board of Directors of the Bank for use at the Annual Meeting of Shareholders, to be held at 10:00 a.m. on Tuesday, June 21, 2016 and at any adjournment or postponement of the meeting. The purposes of the meeting are:

1. electing ten (10) directors to serve until the 2017 Annual Meeting of Shareholders and until their successors are duly elected and qualified;

2. voting on a proposed Agreement and Plan of Share Exchange, as a result of which each share of the common stock of the Bank will be exchanged for one (1) share of the common stock of John Marshall Bancorp, Inc., a company formed to be the holding company of the Bank;

3. ratifying the appointment of Yount, Hyde & Barbour, P.C. as the Company's independent registered public accountants for the year ended December 31, 2016;

4. approving a proposal, if necessary, to adjourn the meeting to permit the further solicitation of proxies if there are not sufficient votes at the time of the meeting to achieve a quorum or approve the Agreement and Plan of Share Exchange; and

5. transacting any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

The meeting will be held at:

Sheraton Reston Hotel
11810 Sunrise Valley Drive
Reston, Virginia 20191

This proxy statement and proxy card are being sent to shareholders of the Bank on or about May 6, 2016. A copy of the Bank's Annual Report to Shareholders, containing the Bank's audited financial statements for the year ended December 31, 2015 also accompanies this proxy statement.

VOTING RIGHTS AND PROXIES

Voting Rights

Only shareholders of record at the close of business on April 15, 2016 (the "Record Date") will be entitled to notice of and to vote at the meeting or any adjournment or postponement of the meeting. On that date, the Bank had 10,030,599 shares of voting common stock, par value $5.00 per share (the "common stock") outstanding, held by approximately 840 shareholders of record. The common stock is the only class of the Bank's stock of which shares are outstanding. Each share of common stock is entitled to one vote on all matters submitted to a vote of the shareholders. Shareholders do not have the right to cumulate votes in the election of directors. The presence, in person or by proxy, of not less than a majority of the total number of outstanding shares of common stock is necessary to constitute a quorum at the meeting.

Proxies

Properly executed proxies received by the Bank in time to be voted at the meeting will be voted as specified by shareholders. In the absence of specific instructions, proxies received will be voted **FOR** the election of the nominees for election as directors; **FOR** the approval of the Agreement and Plan of Share Exchange under which the holding company formation will be effected; and **FOR** the ratification of the appointment of Yount, Hyde & Barbour, P.C. as the Company's independent registered public accountants for the year ended December 31, 2016. Management does not know of any matters that will be brought before the meeting, other than as described in this proxy statement. If other matters are properly brought before the meeting, the persons named in the proxy intend to vote the shares to which the proxies relate in accordance with their best judgment.

The judges of election appointed by the Board of Directors for the meeting will determine the presence of a quorum and will tabulate the votes cast at the meeting. Abstentions will be treated as present for purposes of determining a quorum, but as unvoted for purposes of determining the approval of any matter submitted to the vote of shareholders. If a broker, bank or other nominee holder (collectively, a "broker") indicates that it does not have discretionary authority to vote any shares of common stock on a particular matter, such shares will be treated as present for general quorum purposes, but will not be considered as present or voted with respect to that matter. Under the rules of the New York Stock Exchange applicable to its member firms, such firms will not vote shares on the election of directors or the approval of the Agreement and Plan of Share Exchange unless they receive instructions from the beneficial owners of the shares they hold. **Therefore, if you hold your shares through a broker, it is extremely important that you instruct your recordholder how to vote your shares.**

You may vote your proxy:

- By Internet: go to www.proxyvote.com;
- By toll-free telephone: call 1-800-690-6903; or
- By mail: mark, sign, date and promptly mail the enclosed proxy card in the enclosed postage-paid envelope.

If you vote your proxy by internet or telephone, you must do so by 11:59 p.m., eastern time, on the earlier of the day before the meeting or the voting cut-off date established by your broker.

You may revoke your proxy at any time before it is voted at the meeting:

- by granting a later dated proxy with respect to the same shares;
- by sending written notice to Kay Bond, at 1943 Isaac Newton Square, Suite 100, Reston, Virginia 20190 at any time prior to the proxy being voted; or
- by voting in person at the meeting.

Attendance at the meeting will not, in itself, revoke a proxy. If your shares are held in the name of your broker, you will need an additional document from your recordholder, called a "legal proxy," to vote in person at the meeting. Please see the voting form provided by your recordholder for additional information regarding the voting of your shares.

Shareholders whose shares are held in an account at a brokerage firm or bank will have the option to submit their proxies or voting instructions electronically through the internet or by telephone. Shareholders should check the voting form or instructions provided by their recordholder to see which options are available. To revoke a proxy previously submitted electronically, a shareholder may simply submit a new proxy at a later date before the earlier of (i) taking of the vote at the meeting, and (ii) the deadline for submission of voting instructions that has been established by your broker. The later submitted proxy will be recorded and the earlier proxy will be revoked.

The enclosed proxy is being solicited on behalf of the Board of Directors of the Bank. The cost of this proxy solicitation is being borne by the Bank. In addition to the use of the internet, phone and mail, proxies may be solicited personally or by telephone, by officers, regular employees or directors of the Bank, who will not be compensated for any such services. Brokerage firms, fiduciaries and other custodians who forward soliciting material to the beneficial owners of shares of common stock held of record by them will be reimbursed for their reasonable expenses incurred in forwarding such material. The Bank has retained Morrow & Co., LLC, 470 West Ave, Stamford, CT 06902, a professional proxy solicitor, to assist it, for compensation, with the solicitation of proxies.

PROPOSAL 1 – ELECTION OF DIRECTORS

Ten (10) directors will be elected at the meeting for a term extending until the 2017 Annual Meeting of Shareholders and until their successors have been elected and qualified. Unless authority is withheld, all proxies in response to this solicitation will be voted for the election of the nominees listed below. Each nominee has indicated a willingness to serve if elected. However, if any nominee becomes unable to serve, the proxies received in response to this solicitation will be voted for a replacement nominee selected in accordance with the best judgment of the proxy holders named therein. Each of the nominees for election as director currently serves as a director.

Nominees for Election as Directors

Set forth below is certain information as of the Record Date concerning the nominees for election as Director of the Bank. Except as otherwise indicated, the occupation listed has been such person's principal occupation for at least the last five years.

Philip W. Allin. Mr. Allin, 58, serves as Chairman and CEO of Systems Furniture Galley, Inc., as President and CEO of Office Outfitters, Inc., as well as Vice President and Chief Financial Officer of SEI Furniture and Design ~ Supplies Express, Inc. Systems Furniture Gallery, Inc. is a dominant provider of high quality office and school furnishings to businesses, government, and education facilities. Office Outfitters, Inc. sells office furniture and office supplies primarily focusing on the private sector, with a business-to-business account base in the Washington, D.C. metropolitan and Tidewater, Virginia areas. SEI sells office furniture, space planning, and installation services primarily to the Federal and local government, as well as government contractors on GSA Schedule. Mr. Allin is Chairman of the Board of the Fairfax County Water Authority and has previously served as its Vice Chairman and Treasurer. He has been on the Fairfax Water board of directors since 1992. Mr. Allin is an Owner and Treasurer of Barrel Oak Winery in Delaplane, Virginia. Mr. Allin earned a Bachelor of Science degree in Business Administration and Finance from the University of Maryland, College Park. Mr. Allin has served as a Director of the Bank since its inception. Mr. Allin's position as a member of the Board of Directors is supported by his educational background in the area of business administration and finance, and his professional experience as principal and senior executive of several local small businesses.

Philip R. Chase. Mr. Chase, 59, is currently serving as Chief Financial Officer of NT Concepts, a leading technology firm that supports the US Government with software engineering, geospatial, data analytics and investigative services solutions. He is also owner of Synergis LLC, a management and business advisory firm which focuses on strategic planning and chief financial officer support in the government contracting industry. His prior engagements have included service as Senior Vice President/Chief Financial Officer of Imperatis Corporation, a leading provider of mission-critical intelligence and cyber security services to the Armed Forces and the Federal

Government and Vice President of Finance for PerformTech, Inc., an e-learning company primarily supporting the Office of Personnel Management. From 2002 to 2006, he was a senior manager and Director of Corporate Operations at Stanley Associates, Inc., an information technology and professional services firm located in Arlington, Virginia. Prior to that, Mr. Chase was an owner, Vice President, and Chief Financial Officer of CCI, Incorporated, a professional services government contractor acquired by Stanley Associates in 2002. He also previously worked in the banking industry in a lending and risk management capacity for approximately eight years. Mr. Chase is actively involved with SNVC, a technology government contractor in Northern Virginia, as a member of its board of directors. Mr. Chase has served as a Director of the Bank since its inception.

Jean M. Edelman. Ms. Edelman, 57, is a co-founder of Edelman Financial Services LLC, one of the largest and most successful financial planning and investment management firms in the nation. She is a member of the Board of Trustees at Rowan University, which named the Edelman Planetarium in her and her husband's honor (both are alumni of the University). Jean also founded the Edelman Nursing Center at Inova Hospital. Ms. Edelman became a Director in June 2008.

Michael T. Foster, FAIA. Mr. Foster, 53, a Fellow of the American Institute of Architects, is the founder and president of MTFA Architecture, Inc., an award-winning architecture, interiors, and urban planning firm. MTFA Architecture is a regional leader in sustainable design and development for commercial, educational, institutional, and government buildings. Mr. Foster is active in the community having served as Chair of the Arlington Planning Commission and past Chair of the Arlington Chamber of Commerce. He is currently appointed to the Arlington Economic Development Commission and Arlington Board of Code Appeals. Mr. Foster serves on the board of The Virginia Hospital Center Foundation, The Virginia Museum of Architecture and Design in Richmond, and is a mentor for the Urban Land Institute. He is active in numerous professional, civic, and philanthropic organizations serving the community and the region. Mr. Foster became a Director in June 2008.

Subhash K. Garg. Mr. Garg, 65, is a co-founder and managing member of Wiener & Garg LLC, a certified public accounting firm in Rockville, Maryland. Since June 1978, Mr. Garg has been a member of the American Institute of CPAs and the Virginia Society of CPAs. Mr. Garg is involved with several non-profit organizations in the Washington, D.C. metropolitan area which are helping to bring and expand Indian sub-continent culture in the community. Mr. Garg became a Director in June 2008.

Ronald J. Gordon. Mr. Gordon, 59, is the Chairman and CEO of ZGS Communications ("ZGS"), a Hispanic-owned Spanish-language media company with interests in television, radio and the internet. Founded in 1983 by Mr. Gordon, ZGS now owns and operates ten (10) Spanish-language television stations, representing the largest group of independent stations affiliated with the Telemundo television network. Between April 2009 and December 2011 Mr. Gordon was President of the Telemundo Station Group, overseeing operations of all the local Telemundo stations in the continental United States and Puerto Rico. Mr. Gordon serves on the board of directors of the Industrial Development Authority of Arlington County, the Board of Trustees of the Arlington Community Foundation, and the Board of Trustees of WETA, the flagship PBS television station in the nation's capital. Mr. Gordon received a B.A. in International Relations with a minor in Economics from Syracuse University. Mr. Gordon has been a director of the Bank since its organization.

Jonathan C. Kinney. Mr. Kinney, 69, is a shareholder at the law firm of Bean, Kinney and Korman, P.C. in Arlington, Virginia. Mr. Kinney serves as a Member of the Arlington County Retirement Board, a Trustee Emeritus of the Arlington Community Foundation and Community Residence Foundation, and is vice-chair of The Clarendon Alliance. For the last forty years, he has been actively involved in Arlington civic matters. Mr. Kinney earned an undergraduate degree from Duke University and a Juris Doctorate from the University of Chicago Law School. Mr. Kinney became a Director in June 2008.

O. Leland Mahan. Mr. Mahan, 77, has practiced law in Leesburg, Virginia, for over 48 years. Currently, he is a senior partner at the law firm of Hall, Monahan, Engle, Mahan & Mitchell in Leesburg, Virginia. His primary areas of practice have been litigation, business, land use, real estate, wills and estate administration. Mr. Mahan earned a B.S. degree from Virginia Tech in 1961, and a Juris Doctorate from the University of Richmond School of Law in 1964. He served as President of the University of Richmond Law School Alumni Association from 1988 to 1990. He served as a Captain in the United States Air Force, serving in the Judge Advocate General's Corp from 1964 to 1967. He is active in legal and community affairs, being a member of the Virginia Trial Lawyers

Association, Virginia State Bar, Virginia Bar Association and past president of the Loudoun County Bar Association. Mr. Mahan serves as a director and is President of the Loudoun Small Business Development Center. He has served in leadership roles as a member of the Loudoun County Redistricting Committee and the Loudoun County Economic Development Committee. Mr. Mahan has served on the advisory boards of Virginia National Bank (including as chairman from 1980 to 1984), NationsBank and George Mason Bank. Mr. Mahan became a Director in June 2008.

John R. Maxwell. Mr. Maxwell, 55, has been Chief Executive Officer of the Bank since February 25, 2008. Previously, he was President and Chief Executive Officer of James Monroe Bank from April 1997 until its sale to Mercantile Bankshares Corporation ("Mercantile") in July 2006. He served with Mercantile until November 2006. Prior to joining James Monroe Bank, he was Senior Vice President – Lending of The Bank of Northern Virginia from 1988 to 1996 and Executive Vice President and Chief Lending Officer of The Bank of Northern Virginia from 1996 to 1997. Mr. Maxwell became a member and Chairman of the Board of Directors in June 2008. Mr. Maxwell was the organizer of the group of directors and officers which, in 2008, made a significant investment in the Bank; facilitated the recapitalization of the Bank; refocused its business strategy; and restructured its Board of Directors and senior executive staff.

Lim P. Nguonly. Mr. Nguonly, 55, is the founder and President of Princess Jewelers. Since 1988, Princess Jeweler's has built its reputation as a prominent Washington full-service quality jewelry store. Mr. Nguonly also pioneered the Atlanta-based women's-only spa and fitness club, Women's Premier Fitness, serving as President and Chairman. He is an Alumni of College de Valleyfield in Quebec, Canada and holds a Diamonds Diploma from the Gemological Institute of America (G.I.A.). Mr. Nguonly is now actively involved with numerous real estate investments nationwide. Mr. Nguonly became a Director in June 2008.

Vote Required and Board Recommendation

Nominees receiving a plurality of the votes cast at the meeting in the election of directors will be elected as director, in the order of the number of votes received. **The Board of Directors recommends that shareholders vote "FOR" the election of the nominees set forth above as the Bank's directors. Unless otherwise indicated on the proxy, the persons named therein will vote "FOR" the election of the following nominees.** Members of the Board of Directors and executive officers of the Bank having the power to vote or direct the voting of 1,655,612 shares of common stock, or approximately 16.5% of the shares of common stock outstanding on the Record Date, have indicated their intention to vote **"FOR"** the election of all of the nominees for election as director.

PROPOSAL 2 – APPROVAL OF THE AGREEMENT AND PLAN OF SHARE EXCHANGE

At the meeting, the shareholders are being asked to vote on a proposed Agreement and Plan of Share Exchange, as a result of which each share of the common stock of the Bank will be exchanged for one (1) share of the common stock of John Marshall Bancorp, Inc., a company formed for the purpose of becoming the holding company of the Bank (the "Company"). The following description of the proposed formation of the holding company and share exchange does not purport to be a comprehensive description of all facets of the holding company formation and share exchange or the documents prepared in connection with the transaction. The description is qualified in its entirety by reference to the Agreement and Plan of Share Exchange, a copy of which is included as Exhibit A to this proxy statement, and to the Company's Articles of Incorporation and By-Laws, copies of which are attached as Exhibits B and C to this proxy statement, respectively. Shareholders are urged to carefully read this proxy statement and the Exhibits in their entirety.

General

The adoption of the holding company structure of organization for the Bank will be accomplished under an Agreement and Plan of Share Exchange between the Bank and the Company. The Board of Directors of the Bank adopted the Agreement and Plan of Share Exchange on April 19, 2016. Following shareholder approval of the Agreement and Plan of Share Exchange at the meeting, and the satisfaction of certain conditions, the holding company formation and share exchange will become effective, and the Bank will become a wholly-owned subsidiary of the newly formed holding company, John Marshall Bancorp, Inc. The directors and executive officers of the Company will be the same persons who currently serve as directors and executive officers of the Bank.

As a result of the holding company formation and share exchange, each outstanding share of Bank common stock will be exchanged for one share of Company common stock, and the current holders of Bank common stock will become the holders of all of the then outstanding Company common stock. Immediately after effectiveness of the holding company formation and share exchange, each Bank shareholder will have the same percentage ownership interest in the Company as they had in the Bank, subject to changes resulting from the exercise of appraisal rights. The Company has been formed solely for the purpose of becoming the bank holding company for the Bank, and has no prior operating history. Following effectiveness of the holding company formation and share exchange, the Bank will continue its operations at the same locations, with the same management and employees, and subject to all of the rights, obligations and liabilities of the Bank as they existed prior to effectiveness.

As part of the holding company formation and share exchange, outstanding options to purchase shares of Bank common stock will automatically be converted into options to purchase the same number of shares of Company common stock, on the same terms and conditions, including expiration date and exercise price per share.

Reasons for the Holding Company Formation

The Board of Directors of the Bank believes that the holding company form of ownership would provide significant advantages to the Bank and its shareholders. Specifically, the Board believes that the adoption of a holding company structure will provide strategic benefits and greater flexibility than is presently enjoyed in diversifying into bank-related business activities, expanding banking operations outside of the Bank's current market area, repurchasing shares of common stock, or engaging in acquisitions, if it becomes advantageous to do so.

In addition, a bank holding company generally would have a greater variety of available structures for raising capital to fund the growth or operations of its banking subsidiaries than does the Bank, should it become necessary or advantageous to do so, without diluting equity holders. For example, indebtedness incurred at the holding company level can generally be contributed as Tier 1 capital to the Bank, whereas debt incurred at the Bank level generally may not be treated as Tier 1 capital. The Bank expects that, subject to market conditions, the Bank's condition, earnings, size and other factors, it would seek to raise subordinated debt or other borrowings at the holding company level before raising additional capital through a common equity offering. In general, the Board of Directors believes that operating as a bank holding company will serve the best interests of the Bank's shareholders.

The Share Exchange

If approved, the holding company formation will be effected in accordance with the Agreement and Plan of Share Exchange between the Bank and the Company. Under the Agreement and Plan of Share Exchange, each share of Bank common stock outstanding as of the effective date of the holding company formation will automatically be exchanged for one share of Company common stock. As a result of the foregoing actions, current holders of Bank common stock will have an identical proportionate ownership interest in the Company as they currently have in the Bank, subject to changes resulting from the exercise of appraisal rights, and will own the same number of shares of Company common stock as they now own of Bank common stock. The Company will own 100% of the then-outstanding shares of Bank common stock.

As part of the holding company formation and share exchange, outstanding options to purchase shares of Bank common stock will automatically be converted into options to purchase the same number of shares of Company common stock, on the same terms and conditions, including expiration date and exercise price per share.

After the formation of the holding company, the Bank will continue its present business and operations as a wholly-owned subsidiary of the Company, under the same name, at the same locations, with the same officers, directors and employees, and the same Articles of Incorporation and By-Laws.

Conditions to the Holding Company Formation and Share Exchange. There are a number of conditions which must be satisfied before the holding company formation and share exchange can be consummated, including, among others (i) approval of the holding company formation and share exchange by the holders of more than two-thirds of the outstanding shares of Bank common stock entitled to vote; (ii) the approval for the holding company formation by the Board of Governors of the Federal Reserve System (the "Federal Reserve" or Federal Reserve Board"); (iii) the approval for the holding company formation by the Virginia Bureau of Financial Institutions; (iv) approval of the

holding company formation by any other federal or state bank regulatory agencies having jurisdiction over the Bank or the Company; (v) the registration of the Company common stock to be issued to holders of Bank common stock under the Securities Act of 1933, as amended (the "1933 Act"), or the receipt of an opinion of counsel to the effect that such registration is not required, and the registration or exemption from registration of those shares under applicable state securities laws; and (vi) receipt of an opinion of the Bank's tax advisor or an IRS ruling regarding the tax consequences of the holding company formation and share exchange as set forth in this proxy statement.

It is not anticipated that the approvals of the Federal Reserve and Virginia Bureau of Financial Institutions will be obtained prior to the meeting, or that the applicable waiting periods following such approvals will expire by that time, and there can be no assurance that the necessary approvals will be forthcoming. If the Company and the Bank cannot obtain any action or approval legally required for completion of the holding company formation and the share exchange, the Agreement and Plan of Share Exchange will be terminated, and the Bank will retain its current ownership structure. Additionally, conditions to any approval, or material changes to the Agreement and Plan of Share Exchange required by any regulator may require the Bank to hold another meeting to resolicit shareholder approval. In that event, the Bank may choose to abandon the plan to form the holding company.

Amendment, Termination or Waiver. The Agreement and Plan of Share Exchange may be amended at any time prior to its effectiveness, including after approval by the Bank's shareholders, should the Bank's Board of Directors and the Company's Board of Directors determine such amendment appropriate, except that no amendment may be effected if such amendment would be contrary to Virginia law. The Agreement and Plan of Share Exchange may be terminated at any time prior to its effectiveness in the event the conditions therein have not been fulfilled or waived on or prior to March 31, 2017 or by mutual agreement of the Boards of Directors of each of the Bank and the Company. Any of the terms or conditions of the Agreement and Plan of Share Exchange which may legally be waived, may be waived by the party which is entitled to the benefit of such term or condition.

Stock Certificates. Following effectiveness of the holding company formation and share exchange, certificates representing shares of Bank common stock will automatically represent, by operation of law, shares of the Company common stock in the ratio of one share of Company common stock for each share of Bank common stock previously owned. Former holders of Bank common stock will be asked to exchange their Bank common stock certificates for Company common stock certificates. Shareholders will be provided with instructions on how to exchange their shares after the Effective Date. The Bank's current transfer agent, Transfer Online, Inc., will act as the transfer agent and registrar for the Company's common stock.

Effective Date. The effective date of the holding company formation and share exchange will be the later of the date and time at which the Virginia State Corporation Commission accepts the Articles of Share Exchange for record and the date and time set forth in the Articles of Share Exchange. Such filing will not occur until all conditions to the Agreement and Plan of Share Exchange, including approval of the transaction by all applicable regulatory authorities, shall have been satisfied or, where legally possible, waived. Subject to the receipt of all required approvals, it is currently anticipated that the holding company formation will become effective in the first quarter of 2017.

Vote Required. The affirmative vote of the holders of more than two-thirds of all shares of Bank common stock entitled to vote at the meeting is required to approve the holding company formation and share exchange. As of the record date for the meeting, there were 10,030,599 shares of Bank common stock outstanding and entitled to vote. Directors and executive officers of the Bank having the right to vote 16.5% of the outstanding Bank common stock, have indicated that they intend to vote in favor of the holding company formation and share exchange.

Insurance of Accounts. There will not be any change in the insurance coverage of the Bank's deposits as a result of the holding company formation and share exchange, and the Bank will continue to have its deposits insured up to applicable limits by the Bank Insurance Fund of the FDIC.

Effects of the Holding Company Formation and Share Exchange on the Property and Obligations of the Bank. All of the Bank's rights, title and interest in and to all of its property as of the effective date will remain the property of the Bank following the holding company formation and share exchange.

Other Effects. Upon the effectiveness of the holding company formation and share exchange, the Bank's previously adopted 2015 Stock Incentive Plan and 2006 Stock Option Plan for the benefit of the Bank's key employees

and directors will become Company plans, on the same terms and conditions. All outstanding options to purchase shares of Bank common stock will automatically be converted into options to purchase the same number of shares of Company common stock, on the same terms and conditions, including expiration date and exercise price per share. All shares of restricted stock or restricted stock units awarded under the 2015 Stock Incentive Plan will become shares of restricted stock of, or right to receive shares of common stock of, the Company. Shares of Company common stock issuable upon the exercise of options or satisfaction of conditions relating to awards of restricted stock units will be "restricted securities." Please refer to "Securities Law Consequences" below, for additional information.

Applicable Law and Regulatory Authority. Following the effectiveness of the holding company formation and share exchange, the Bank, a Virginia-chartered commercial bank which is a member of the Federal Reserve, will continue to be subject to regulation, examination and supervision by the Virginia Bureau of Financial Institutions and the Federal Reserve. The Company, as a registered bank holding company, and the Bank, as its subsidiary, will be subject to the examination, regulation and supervision of the Federal Reserve.

Securities Law Consequences. The Company common stock is being offered to holders of Bank common stock under an exemption from registration under the 1933 Act. The Bank is not a reporting company under the Securities Exchange Act of 1934, as amended (the "1934 Act"), and as such does not file periodic reports, proxy materials and other information with the Federal Reserve Board. After the effectiveness of the holding company formation and the share exchange, the Company will continue to not be subject to these reporting requirements.

The exemption from registration under the 1933 Act for the holding company formation and share exchange enables the Company common stock received by shareholders who are not affiliates of the Bank or the Company to be resold without registration. Shares received by affiliates of the Bank will be subject to the resale restrictions of Rule 144. If the Company satisfies the current public information requirements of Rule 144 under the 1933 Act, each affiliate of the Company who complies with the other conditions of Rule 144, including those that require the affiliate's sales to be aggregated with those of certain other persons, would be able to sell in the public market through brokers' transactions, without registration, in any three-month period, a number of shares not to exceed the greater of 1% of the outstanding shares of Company common stock, or the average weekly volume of trading in such shares during the preceding four calendar weeks. There can be no assurance that the Company will satisfy the current public information requirements of Rule 144, or that the other conditions to the utilization of the safe harbor provisions for the sale of shares of Company common stock by affiliates of the Bank and the Company can be met. Absent the satisfaction of such conditions, affiliates of the Bank or the Company who seek to sell shares of Company common stock may need to arrange such sales to take advantage of available exemptions from registration under the 1933 Act.

Unless the Company becomes a reporting company under the 1934 Act and registers the shares of common stock issuable under the 2015 Stock Incentive Plan and 2006 Stock Option Plan under the 1933 Act, the shares issued after the effectiveness of the holding company formation, upon the exercise of options or the issuance or vesting of awards of restricted stock or restricted stock units under the 2015 Stock Incentive Plan or 2006 Stock Option Plan, will be issued pursuant to an exemption from registration under the 1933Act, and will be "restricted securities." This means that, in general, shares may not be sold for a period of one year after the exercise of an option or vesting of an award of restricted stock units, or the issuance of an award of restricted stock. As such, recipients of awards will not be able to immediately sell the shares subject to the award in order to obtain funds with which to pay the exercise price or withholding taxes in respect of the award. Certificates representing shares issuable in connection with an award will contain a legend reflecting such restriction.

Comparison of Shareholder Rights. Following the completion of the holding company formation and the share exchange, the holders of Bank common stock, whose rights are currently governed by the Virginia Financial Institutions and Services Code (the "VFIC") and the Virginia Stock Corporation Act (the "VSCA"), applicable federal laws and the Articles of Incorporation and Bylaws of the Bank, will, in general, have their rights as holders of the Company common stock governed by the VSCA, applicable federal laws and by the Articles of Incorporation and Bylaws of the Company. The form of the Articles of Incorporation of the Company are included as Exhibit B to this proxy statement, and the form of the Bylaws of the Company are included as Exhibit C.

It is the intention of the Board of Directors not to create differences in the Company's Articles and Bylaws from the Bank Articles and Bylaws that would affect the rights of shareholders. Consequently, the Company's Articles of Incorporation and Bylaws are substantially identical in all material respects to the Bank's Articles of Incorporation and Bylaws. The authorized capital stock of the Company will be identical to that of the Bank, except that the par value per share for Company common stock and preferred stock will be $0.01, as compared to $5.00 per share for Bank common stock and preferred stock.

State banks are incorporated under the VSCA, have all the powers conferred on corporations, and are subject to all restrictions imposed on corporations by the VSCA, except as otherwise provided in the VFIC. Under the VFIC, the Bank cannot adopt any option plan, or issue any options, unless the plan had been approved by shareholders, and the minimum exercise price of an option may not be less than book value. After the formation of the holding company, the requirements of the VFIC will not apply to the Company, and except to the extent required for tax or other purposes, the Company will not be required to have option or warrant plans or issuances approved by the shareholders, and the Company would be able to issue options having a fair market value exercise price, even if less than book value.

Appraisal Rights

Under Sections 13.1-729 through 13.1-741.1 of the VSCA, shareholders of the Bank may assert appraisal rights with respect to the share exchange and demand in writing that the Company pay the fair value of their shares if the share exchange is completed. Sections 13.1-729 through 13.1-741.1 of the VSCA, which set forth the procedures a shareholder requesting payment for his or her shares must follow, is reprinted in its entirety as Exhibit D to this proxy statement. The following discussion is not a complete statement of the law relating to appraisal rights under Sections 13.1-729 through 13.1-741.1 of the VSCA, and is qualified in its entirety by reference to Exhibit D. This discussion and Exhibit D should be reviewed carefully by any shareholder who wishes to exercise appraisal rights or who wishes to preserve the right to do so, as failure to strictly comply with the procedures set forth in Sections 13.1-729 through 13.1-741.1 of the VSCA will result in the loss of appraisal rights.

Under Sections 13.1-729 through 13.1-741.1 of the VSCA, when a share exchange agreement is to be submitted for approval at a meeting of shareholders, the corporation must notify each of the holders of its stock for whom appraisal rights are available that such rights are available and include in each such notice a copy of Sections 13.1-729 through 13.1-741.1 of the VSCA. This proxy statement constitutes such notice to the holders of Bank common stock.

General requirements. Sections 13.1-729 through 13.1-741.1 of the VSCA generally require the following:

Notice of intent to demand payment. Bank shareholders who desire to exercise their appraisal rights must deliver to the Bank, before the vote on the share exchange is taken at the annual meeting, a written notice of their intent to demand payment for their shares. A vote against the Agreement and Plan of Share Exchange will not satisfy such notice requirement. The notice of intent to demand payment should be addressed to: John Marshall Bank, 1943 Isaac Newton Square, Suite 100, Reston, Virginia 20190, Attention: Carl E. Dodson. It is important that Bank receive any written notices before the vote concerning the Agreement and Plan of Share Exchange is taken. As explained below, this written notice should be signed by, or on behalf of, the shareholder of record. The written notice of intent to demand payment should specify the shareholder's name and mailing address, the number of shares of stock owned, and that the shareholder intends to demand payment for such shareholder's shares.

A written notice of intent to demand payment for Bank stock is only effective if it is signed by, or for, the shareholder of record who owns the shares at the time the demand is made. The demand must be signed as the shareholder's name appears on its stock certificate(s). If you are a beneficial owner of Bank common stock and hold your shares through an intermediary (such as a broker, fiduciary, trustee, guardian or custodian, depositary or other nominee) you must have the shareholder of record for the shares sign a demand for payment on your behalf. If you own Bank common stock in a fiduciary capacity, such as a trustee, guardian or custodian, you must disclose the fact that you are signing the demand for payment in that capacity.

If you own Bank common stock with one or more other persons, such as in a joint tenancy or tenancy in common, all of the owners must sign, or have signed for them, the demand for payment. An authorized agent, which

could include one or more of the owners, may sign the demand for payment for a shareholder of record; however, the agent must expressly disclose who the shareholder of record is and that he or she is signing the demand as such shareholder's agent.

Refrain from voting for or consenting to the merger proposal. If you wish to exercise your appraisal rights, you must not vote in favor of the Agreement and Plan of Share Exchange. If you return a properly executed proxy that does not instruct the proxy holder to vote against or to abstain on Agreement and Plan of Share Exchange, or if you otherwise vote in favor of the Agreement and Plan of Share Exchange, your appraisal rights will terminate, even if you previously filed a written notice of intent to demand payment. You do not have to vote against the Agreement and Plan of Share Exchange in order to preserve your appraisal rights.

Continuous ownership of Bank common stock. You must continuously hold your shares of Bank common stock from the date you provide notice of your intent to demand payment for your shares through the closing of the Agreement and Plan of Share Exchange.

Company notice. Within 10 days after the closing under the Agreement and Plan of Share Exchange, the Company, as successor to the Bank, must give written notice that the Agreement and Plan of Share Exchange has become effective to each shareholder who has properly provided notice of intent to demand payment, and who has not voted in favor of or consented to the Agreement and Plan of Share Exchange. The notice shall also supply a form which must be completed, signed and returned by the shareholder seeking to exercise appraisal rights. The notice shall state where the form must be sent and certificates shall be deposited, the date by which the Company must receive the form, and the Company's estimate of the fair value of the shares of Company common stock. The form may require that the shareholder certify whether beneficial ownership of shares of common stock was acquired prior to the date of first announcement to shareholders of the proposed transaction, and that the shareholder did not vote in favor of the share exchange.

Payment. Within 30 days after receipt of a payment demand by a shareholder asserting appraisal rights, the Company shall pay in cash the amount it estimates to be the fair value of such shareholder's shares, plus accrued interest, except with respect to shareholders who do not certify in the appraisal notice that they acquired all of their shares before the date of first public announcement of the Agreement and Plan of Share Exchange. The payment shall be accompanied by: (1) certain financial statements of the Bank; (2) a statement of the Company's estimate as to the fair value of the Bank shares; and (3) a statement of the shareholder's right to demand further payment under Section 13.1-739 of the VSCA, and that if such shareholder does not do so within the time period specified therein, such shareholder shall be deemed to have accepted such payment in full satisfaction of the Company's and Bank's obligations under Sections 13.1-729 through 13.2-741 of the VSCA. If the shareholder is dissatisfied with the amount of such payment, the shareholder may notify the Company in writing of his or her own estimate of the fair value of his or her shares and the amount of interest due, and demand payment of such estimate less the amount received from the Company. The shareholder must notify the Company within 30 days of receiving such payment. The Company may elect to withhold the cash payment from any shareholder who did not certify in its appraisal notice that it acquired all of its shares before the date of first public announcement of the Agreement and Plan of Share Exchange. A shareholder from whom the cash payment is withheld in accordance with the preceding sentence will be provided with comparable information to that sent to certifying shareholders, together with an offer to pay the amount estimated by the Company as the fair value of the Bank shares, with interest, and a statement that if the shareholder does not satisfy the requirements for demanding appraisal, such shareholder shall be deemed to have accepted the offer. Within 40 days after sending such information, the Company shall pay in cash to each such shareholder the amount the Company estimated as the fair value of the Bank shares, with interest.

Petition with the court. If a shareholder's demand for payment remains unsettled, the Company must bring a proceeding in the Circuit Court of the County of Fairfax, Virginia to have the court determine the fair value of the shares and accrued interest. As part of this proceeding, the court is authorized to appoint one or more appraisers. The court assesses all costs, including appraisers appointed by the court, against the Company except that the court has the right to make an assessment against any shareholder asserting appraisal rights who acted arbitrarily, vexatiously or not in good faith. The court may also assess fees and expenses of counsel and experts for the parties against either the corporation or the shareholders seeking appraisal.

Termination of rights. A shareholder's right to obtain payment pursuant to the exercise of appraisal rights is terminated whenever the proposed corporate action is abandoned or is permanently enjoined or set aside or when the shareholder's demand for payment is withdrawn with the consent of the Company. If a shareholder withdraws its demand for payment, the shareholder will be entitled to receive the shares of Company common stock for which the Bank common stock has been exchanged.

Certain Federal Tax Consequences

It is a condition to the effectiveness of the Agreement and Plan of Share Exchange that the Bank receive an opinion from Miles & Stockbridge P.C. as to certain federal income tax consequences of the holding company formation and share exchange. The opinion will generally provide that the holding company formation and share exchange in accordance with the provisions of the Agreement and Plan of Share Exchange will qualify as a tax-free exchange under the Internal Revenue Code of 1986, as amended (the "Code"). The opinion of Miles & Stockbridge P.C. will provide, among other things that, for federal income tax purposes:

(1) The transactions contemplated by the Agreement and Plan of Share Exchange will qualify for non-recognition treatment under Section 351(a) of the Code or Section 368(a)(1)(B) of the Code.

(2) No gain or loss will be recognized by the Bank or the Company as a result of the transactions contemplated by the Agreement and Plan of Share Exchange.

(3) The holding period of the assets of the Bank transferred to the Company will include the period during which such assets were held by the Bank prior to the effectiveness of the Agreement and Plan of Share Exchange.

(4) No gain or loss will be recognized by holders of Bank common stock upon the issuance to them of Company common stock in exchange for their Bank common stock.

(5) The aggregate tax basis of the Company common stock received by a Bank shareholder will be the same as the aggregate tax basis of such shareholder in their Bank common stock immediately prior to the effectiveness of the Agreement and Plan of Share Exchange.

(6) The holding period for Company common stock received by holders of Bank common stock will include the period during which such persons held their Bank common stock prior to the effectiveness of the Agreement and Plan of Share Exchange, provided that the Bank common stock was held as a capital asset on the date of the Agreement and Plan of Share Exchange.

The opinion of Miles & Stockbridge P.C. is not binding on the Internal Revenue Service ("IRS") and the IRS could disagree with the conclusions reached therein. In the event of such disagreement, there is no assurance that the IRS would not prevail in a judicial or administrative proceeding.

If a Bank shareholder properly exercises appraisal rights, such shareholder will recognize gain or loss equal to the difference between the amount of cash received through the exercise of such rights and such shareholder's tax basis in his or her shares of Bank common stock. The gain or loss recognized will be long-term capital gain or loss if, as of the effective date of the Agreement and Plan of Share Exchange, the Bank shareholder's holding period for the Bank common stock surrendered exceeds one year. The deductibility of capital losses is subject to limitations.

The federal income tax discussion set forth above is intended to provide only a summary of the material U.S. federal income tax consequence of the holding company formation and share exchange, and does not address tax consequences which may vary with, or are contingent on, individual circumstances. The personal tax circumstances of shareholders differ and shareholders may be subject to special treatment under the income tax laws. Moreover, this discussion does not address any foreign, federal, state, or local tax consequences of the disposition of stock in the Bank or the Company either before or after the share exchange.

The federal income tax discussion set forth above is based on current provisions of the Code and currently applicable Treasury Regulations and existing judicial and administrative interpretations and decisions. Future

legislation, regulations, administrative interpretations or court decisions could significantly change these legal conclusions either prospectively or retroactively.

The information set forth above regarding the tax consequences of the holding company formation and share exchange is not intended to be tax or legal advice to the shareholders of the Bank or the Company. **Each shareholder should consult his or her own tax or financial counsel as to the specific federal, state, and local tax consequences of the holding company formation and share exchange, if any, to such shareholder.**

Vote Required and Recommendation of the Board of Directors. Approval of the Agreement and Plan of Share Exchange requires the vote of more than more than two-thirds of the outstanding shares of Bank Common Stock. **The Board of Directors of the Bank has unanimously approved the Agreement and Plan of Share Exchange and the holding company formation, and recommends that the shareholders vote "FOR" the proposed transaction.** Members of the Board of Directors and executive officers of the Bank having the power to vote or direct the voting of 1,655,612 shares of common stock, or approximately 16.5% of the shares of common stock outstanding on the Record Date, have indicated their intention to vote **"FOR"** the approval of the Agreement and Plan of Share Exchange. The affirmative vote of a majority of votes validly cast on the proposal is required for the adoption of the Agreement and Plan of Share Exchange.

PROPOSAL 3 - RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT PUBLIC ACCOUNTING FIRM

The Board of Directors has selected the independent public accounting firm of Yount, Hyde & Barbour, P.C. ("YHB") to audit the accounts of the Bank for the fiscal year ended December 31, 2016. YHB has audited the Bank's financial statements since the year ended December 31, 2008. Representatives of YHB are expected to be present at the meeting and available to respond to appropriate questions. The representatives also will be provided with an opportunity to make a statement, if they desire.

The Board of Directors recommends that shareholders vote FOR the ratification of the appointment of YHB as the Company's independent public accounting firm. Members of the Board of Directors and executive officers of the Bank having the power to vote or direct the voting of 1,655,612 shares of common stock, or approximately 16.5% of the shares of common stock outstanding on the Record Date, have indicated their intention to vote **"FOR"** ratification of the appointment of accountants. The affirmative vote of a majority of votes validly cast on the proposal is required for adoption of the ratification of the appointment of the independent public accounting firm.

PROPOSAL NO. 4 - ADJOURNMENT OF THE MEETING

In the event that there are not sufficient votes at the time of the meeting to achieve a quorum or approve the Agreement and Plan of Share Exchange, the share exchange cannot be approved unless the meeting is adjourned to a later date or dates in order to permit further solicitation of proxies. In order to allow proxies that have been received by the Bank at the time of the meeting to be voted for an adjournment, if deemed necessary, the Bank has submitted the question of adjournment to its shareholders as a separate matter for their consideration. If it is deemed necessary to adjourn the meeting, no notice of the adjourned meeting is required to be given to shareholders, other than an announcement at the meeting of the place, date and time to which the meeting is adjourned.

Vote Required and Recommendation of the Board of Directors. The affirmative vote of a majority of votes cast on the proposal is required for adoption of the proposal to adjourn the meeting, if necessary, to permit further solicitation of proxies. **The Board of Directors unanimously recommends that shareholders vote "FOR" the adjournment proposal.**

SHAREHOLDER PROPOSALS

The Bank must receive written notice of intent to make a nomination to be voted upon at the next annual meeting, or of any other shareholder proposal, no later than February 5, 2017.

OTHER MATTERS

The Board of Directors of the Bank is not aware of any other matters to be presented for action by shareholders at the meeting. If, however, any other matters not now known are properly brought before the meeting or any adjournment thereof, the persons named in the accompanying proxy will vote such proxy in accordance with their judgment on such matters.

By Order of the Board of Directors

John Maxwell
Chairman and Chief Executive Officer

May 6, 2016

Exhibit A

Form of Agreement and Plan of Share Exchange

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AGREEMENT AND PLAN OF SHARE EXCHANGE

THIS AGREEMENT AND PLAN OF SHARE EXCHANGE (this "Plan"), is made this __ day of _____, 2016, by and between John Marshall Bank, a Virginia-chartered commercial bank (the "Bank"), and John Marshall Bancorp, Inc., a Virginia corporation (the "Corporation").

Background of this Plan

The Boards of Directors of the Bank and the Corporation desire to establish a holding company structure whereby the Bank will become a wholly-owned subsidiary of the Corporation. The Boards of Directors of the Bank and the Corporation have deemed advisable an exchange of shares between the Bank and the Corporation in order to establish the Bank as a wholly-owned subsidiary of the Corporation in the manner and upon the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. *Exchange of Shares.* On the Effective Date (as hereinafter defined), each of the issued and outstanding shares of Common Stock of the Bank, par value $5.00 per share (the "Bank Common Stock"), shall be exchanged for one share of Common Stock of the Corporation, par value $0.01 per share (the "Corporation Common Stock"), in a statutory share exchange pursuant to Section 13.1-717 of the Virginia Stock Corporation Act, and in the manner set forth in Section 3 hereof. As a result of such share exchange, the Corporation shall become the sole shareholder of the Bank and the holders of all of the issued and outstanding Bank Common Stock shall become the holders of all the issued and outstanding Corporation Common Stock.

2. *Effective Date.* This Plan shall become effective at the later of (i) date and time at which the Virginia State Corporation Commission accepts the Articles of Share Exchange for record, and (ii) the date and time set forth in the Articles of Share Exchange (such date, the "Effective Date").

3. *Manner of Exchange.* The manner and basis of exchanging the Bank Common Stock to be acquired for the Corporation Common Stock is as follows:

On the Effective Date, each share of Bank Common Stock then issued and outstanding, other than shares in respect of which appraisal right shall have been properly exercised, shall automatically, without any action on the part of the holder thereof, be converted into and exchanged for one (1) share of Corporation Common Stock. On the Effective Date, each holder of Bank Common Stock will cease to be a shareholder of the Bank and the ownership of all shares of Bank Common Stock shall automatically vest in the Corporation. On the Effective Date, each outstanding certificate that, prior to the Effective Date, represented shares of Bank Common Stock shall be deemed for all corporate purposes to evidence the ownership of the same number of shares of Corporation Common Stock into which such shares of Bank Common Stock shall have been so converted.

4. *Manner of Converting Rights.* The manner and basis of converting options, warrants or other rights to acquire Bank Common Stock into options, warrants or other rights to acquire Corporation Common Stock is as follows:

On the Effective Date, all rights with respect to Bank Common Stock existing pursuant to stock options or awards of restricted stock or restricted stock units granted by the Bank under the Bank's 2015 Stock Incentive Plan and the Bank's 2006 Stock Option Plan (collectively, the "Bank Stock Plans"), which are outstanding on the Effective Date, whether or not then exercisable or vested, shall be converted into and become options or awards of restricted stock or restricted stock units as the case may be, with respect to Corporation Common Stock, and the Corporation shall assume each of such Bank options or awards of restricted stock or restricted stock units in accordance with the terms of the respective Bank Stock Plan or other documents under which it was issued and the certificate by which it is evidenced. On the Effective

Date, the Bank Stock Plans shall be converted into and shall become the John Marshall Bancorp, Inc. 2015 Stock Incentive Plan and the John Marshall Bancorp, Inc. 2006 Stock Option Plan and the Corporation shall administer such plans in accordance with their respective terms. From and after the Effective Date, (i) each such Bank option, as the case may be, may be exercised solely for shares of Corporation Common Stock, (ii) each award of restricted stock or restricted stock unit shall be settled in shares of Corporation Common Stock; (ii) the number of shares of Corporation Common Stock subject to such Bank option or award of restricted stock or restricted stock units shall be equal to the number of shares of Bank Common Stock subject to such Bank option or award immediately prior to the Effective Date, and (iii) the per-share exercise price under each such Bank option or award shall remain the same exercise price for each Corporation option or award into which the Bank option or award was converted. It is intended that the foregoing assumption shall be undertaken in a manner that will not constitute a "modification" as defined in Section 424 of the Internal Revenue Code of 1986, as amended, as to any stock option which is an "incentive stock option."

5. *Assumption of Plans.* On the Effective Date, the Corporation shall adopt, and shall be deemed to have adopted, the John Marshall Bancorp, Inc. 2015 Stock Incentive Plan and the John Marshall Bancorp, Inc. 2006 Stock Option Plan and the options issued thereunder. References contained in such plans to the Bank shall, at and after the Effective Date, be deemed to refer to the Corporation, except that the class of persons eligible to receive awards under the plans shall be employees or directors of the Corporation or any direct or indirect subsidiary of the Corporation.

6. *Conditions.* Consummation of the share exchange provided for herein shall, except as may be waived by the Board of Directors of both parties hereto, be subject to the fulfillment of each of the following conditions:

(a) the Board of Governors of the Federal Reserve System shall have approved an application for the Corporation to become a bank holding company;

(b) the Commissioner of the Virginia Bureau of Financial Institutions shall have approved an application for the Corporation to acquire control of the Bank;

(c) the receipt of all permits, approvals and consents of any governmental body or agency or third party which the Bank or the Corporation may reasonably deem necessary or appropriate;

(d) the Bank and the Corporation shall have received an opinion of counsel as to the tax-free character of the share exchange, which opinion shall be in form and substance satisfactory to each of them;

(e) the shareholders of the Bank shall have approved this Plan by a vote of more than two-thirds of the outstanding shares of Bank Common Stock and in the manner required by the Bank's Charter and the Virginia Stock Corporation Act; and

(f) the registration of the Corporation Common Stock to be issued to holders of Bank Common Stock under the Securities Act of 1933, as amended, or the receipt of an opinion of counsel to the effect that such registration is not required, and the registration or exemption from registration of those shares under applicable state securities laws.

7. *Termination and Abandonment.* This Plan may be terminated without liability to either party hereto and the transactions abandoned at any time prior to the Effective Date, whether before or after approval by the shareholders of the Bank:

(a) by the Board of Directors of either the Bank or the Corporation in the event that the conditions referred to in Section 6 hereof have not been fulfilled or waived on or prior to March 31, 2017; or

(b) by mutual agreement of the Boards of Directors of the Bank and the Corporation if for any other reason consummation of the share exchange is inadvisable in the opinions of the respective Boards.

8. *Amendment and Waiver.* Any of the terms or conditions of this Plan may be amended or modified in whole or in part at any time, including prior to the Effective Date, to the extent permitted by applicable law, rules and regulations; provided, however, that, subsequent to the approval of this Plan by the Bank's shareholders, any such amendment or modification (i) shall not change the amount or kind of securities to be issued by the Corporation or to be received under this Plan by the shareholders of the parties hereto, and (ii) shall not be materially adverse to the Bank's shareholders. This Plan may not be amended except by an instrument in writing signed on behalf of each of the parties hereto. Any term, condition or provision of this Plan may be waived in writing at any time by the party which is, or whose shareholders are, entitled to the benefits thereof.

9. *Expenses.* All of the expenses relating to this Plan and the transactions contemplated thereby shall be borne by the Bank.

IN WITNESS WHEREOF, the Bank and the Corporation have caused this Plan to be duly executed and their corporate seals to be hereunto affixed and attested as of the date first above written.

ATTEST: [SEAL]

JOHN MARSHALL BANK

Jonathan C. Kinney, Secretary

John R. Maxwell, Chairman of the Board and Chief Executive Officer

ATTEST: [SEAL]

JOHN MARSHALL BANCORP, INC.

Jonathan C. Kinney, Secretary

John R. Maxwell, Chairman of the Board and Chief Executive Officer

Exhibit B

Articles of Incorporation of the Company

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ARTICLES OF INCORPORATION

OF

JOHN MARSHALL BANCORP, INC.

ARTICLE I. *Name.* The name of the corporation is John Marshall Bancorp, Inc. (the "Corporation").

ARTICLE II. *Purpose.* The purpose for which the Corporation is formed is to serve as a holding company for banking institutions and to engage in any or all lawful business, including without limitation insurance agency and related businesses, not required to be stated in the Articles of Incorporation for which corporations may be incorporated under the Virginia Stock Corporation Act as amended from time to time.

ARTICLE III. *Capital Stock.* The number of shares of stock of all classes which the Corporation shall have authority to issue shall be twenty two million (22,000,000), twenty million (20,000,000) of which shall be voting Common Stock, par value $0.01 per share, one million (1,000,000) of which shall be nonvoting Common Stock, par value $0.01 per share, and one million (1,000,000) of which shall be preferred stock, par value $0.01 per share. Each share of voting common stock shall have one vote per share in respect of all matters submitted to the vote of shareholders, including the election of directors. Except as may be expressly required by the laws of general applicability of the Commonwealth of Virginia, the holders of the nonvoting common stock shall not be entitled to vote on any matter submitted for the vote of shareholders, including but not limited to the election of Directors. Except as expressly set forth herein with respect to voting, the shares of common stock which the Corporation shall have authority to issue shall be identical, and shall have equal rights and privileges. The Board of Directors, by action of a majority of the full Board of Directors, shall have the authority to issue the shares of preferred stock from time to time on such terms as it may determine, and to divide the preferred stock into one or more classes or series, and, in connection with the creation of such classes or series to fix by resolution or resolutions the designations, voting powers, preferences, participation, redemption, sinking fund, conversion, dividend, and other optional or special rights of such classes or series, and the qualifications, limitations or restrictions thereof.

ARTICLE IV. *Preemptive Rights.* The holders of the capital stock of the Corporation shall not have any preemptive or preferential rights to purchase or otherwise acquire any shares of any class of capital stock of the corporation, whether now or hereafter authorized, except as the Board of Directors may specifically provide.

ARTICLE V. *Cumulative Voting.* The holders of the capital stock of the Corporation shall not have the right to cumulate votes in the election of directors.

ARTICLE VI. *Limitation of Liability and Indemnification.*

(1) To the full extent that the Virginia Stock Corporation Act, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of the liability of directors or officers, a director or officer of the Corporation shall not be liable to the Corporation or its shareholders for monetary damages.

(2) To the full extent permitted and in the manner prescribed by the Virginia Stock Corporation Act and any other applicable law, the Corporation shall indemnify a director or officer of the Corporation who is or was a party to any proceeding by reason of the fact that he or she is or was such a director or officer or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. The Board of Directors is hereby empowered, by majority vote of a quorum of disinterested directors, to contract in advance to indemnify any director or officer.

(3) The Board of Directors is hereby empowered, by majority vote of a quorum of disinterested directors, to cause the Corporation to indemnify or contract in advance to indemnify any director, and to cause the Corporation to indemnify or contract in advance to indemnify any person not specified in Section 2 of this Article who was or is a party to any proceeding, by reason of the fact that he or she is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as director, officer, employee or agent of another corporation, partnership, joint

venture, trust, employee benefit plan or other enterprise, to the same extent as if such person were specified as one to whom indemnification is granted in Section 2.

(4) Notwithstanding any other provisions in this Article VI, the Corporation shall indemnify a director who 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 of the Corporation against reasonable expenses incurred by him or her in connection with the proceeding.

(5) The Corporation may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Article and may also procure insurance, in such amounts as the Board of Directors may determine, on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against or incurred by any such person in any such capacity or arising from his or her status as such, whether or not the Corporation would have power to indemnify him or her against such liability under the provisions of this Article.

(6) In the event there has been a change in the composition of a majority of the Board of Directors after the date of the alleged act or omission with respect to which indemnification is claimed, any determination as to indemnification and advancement of expenses with respect to any claim for indemnification made pursuant to Section 2 of this Article VI shall be made by special legal counsel agreed upon by the Board of Directors and the proposed indemnitee. If the Board of Directors and the proposed indemnitee are unable to agree upon such special legal counsel, the Board of Directors and the proposed indemnitee each shall select a nominee, and the nominees shall select such special legal counsel.

(7) The provisions of this Article VI shall be applicable to all actions, claims, suits or proceedings commenced after the adoption hereof, whether arising from any action taken or failure to act before or after such adoption. No amendment, modification or repeal of this Article shall diminish the rights provided hereby or diminish the right to indemnification with respect to any claim, issue or matter in any then pending or subsequent proceeding that is based in any material respect on any alleged action or failure to act prior to such amendment, modification or repeal.

(8) The provisions of this Article VI shall not be exclusive of any other indemnification to which such persons may be entitled under any bylaw, agreement, statute, vote of shareholders or disinterested directors, or otherwise.

(9) Reference herein to directors, officers, employees or agents shall include former directors, officers, employees and agents and their respective heirs, executors and administrators.

ARTICLE VII. *Registered Office.* The Corporation's initial registered office shall be located at 1943 Isaac Newton Square, Suite 100, Reston, Virginia 20190, County of Fairfax. The Corporation's initial registered agent shall be John R. Maxwell, a resident of Virginia and a Director of the Corporation.

ARTICLE VIII. *Directors.* The number of Directors constituting the entire Board shall be not less than five (5) nor more than fifteen (15), the exact number of which as may be fixed from time to time in accordance with the By-Laws, provided that the number of Directors shall not be reduced so as to shorten the term of any Director then in office, and further provided that the number of directors shall be ten (10) until otherwise fixed by a majority of the Board.

ARTICLE IX. *Factors to be Considered in Certain Transactions.* In the event the Board of Directors shall evaluate a business combination or other offer of another party to make a tender or exchange offer for any equity security of the Corporation; merge or consolidate the Corporation with another corporation; purchase or otherwise acquire all or substantially all of the properties and assets of the Corporation; engage in any transaction similar to, or having similar effects as, any of the foregoing (each of the foregoing, a "Business Combination"), the Directors shall consider, among other things, the following factors: the effect of the Business Combination on the Corporation and its subsidiaries, and their respective shareholders, employees, customers and the communities which they serve; the timing of the proposed Business Combination; the risk that the proposed Business Combination will not be consummated; the reputation, management capability and performance history of the person proposing the Business Combination; the current market price of the Corporation's capital stock; the relation of the price offered to the current value of the

Corporation in a freely negotiated transaction and in relation to the Directors' estimate of the future value of the Corporation and its subsidiaries as an independent entity or entities; tax consequences of the Business Combination to the Corporation and its shareholders; and such other factors deemed by the Directors to be relevant. In such considerations, the Board of Directors may consider all or certain of such factors as a whole and may or may not assign relative weights to any of them. The foregoing is not intended as a definitive list of factors to be considered by the Board of Directors in the discharge of their fiduciary responsibility to the Corporation and its shareholders, but rather to guide such consideration and to provide specific authority for the consideration by the Board of Directors of factors which are not purely economic in nature in light of the circumstances of the Corporation and its subsidiaries at the time of such proposed Business Combination**.**

Dated: _____, 2016

_____
John R. Maxwell
Incorporator

Exhibit C

By-Laws of the Company

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JOHN MARSHALL BANCORP, INC.
BY-LAWS

ARTICLE I
Meetings of Shareholders

Section 1.1 Annual Meeting. The regular annual meeting of shareholders for the election of Directors and for the transaction of whatever other business may properly come before the meeting, shall be held at the Main Office of the Corporation, or such other place as the Board of Directors may designate, each year on such day as the Board of Directors determines. Notice of such meeting shall be mailed, postage prepaid, at least ten (10) days prior to the date thereof, addressed to each shareholder at his or her address appearing on the books of the Corporation unless notice is waived by unanimous consent of all shareholders. If, for any cause, an election of Directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner therein provided for the annual meeting.

Section 1.2 Special Meetings. Except as otherwise specifically provided by statute, special meetings of the shareholders shall be called for any purpose at any time by the Secretary at the request of the Chairman of the Board of Directors, or the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors. Every such special meeting, unless otherwise provided by law, or waived by unanimous consent of all shareholders, shall be called by mailing, postage prepaid, not less than ten (10) days prior to the dated fixed for such meeting, to each shareholder at his or her address appearing on the books of the Corporation a notice stating the time, place and purpose of the meeting.

Section 1.3 Nominations for Director. Nominations for the election of Directors may be made by the Board of Directors or a committee appointed by the Board of Directors or by any shareholder entitled to vote in the election of Directors generally. However, any shareholder entitled to vote in the election of Directors generally may nominate one or more persons for election as Directors at a meeting only if written notice of such shareholder's intent to make such nomination or nominations has been given, either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Corporation not later than (a) with respect to an election to be held at the annual meeting of shareholders, ninety (90) days prior to the anniversary date of the immediately preceding annual meeting, and (b) with respect to an election to be held at a special meeting of the shareholders for the election of Directors, the close of business on the seventh (7^{th}) day following the date on which notice of such meeting is first given to shareholders. Each such notice shall set forth: (i) the name, age, business address and, if known, the residence address of each nominee proposed, (ii) the principal occupation or employment of each such nominee, (iii) the number of shares of each class of stock of the Corporation beneficially owned or directly or indirectly controlled by each such nominee, (iv) such other information regarding each such nominee as would be required to be included in a proxy statement soliciting proxies for the election of the proposed nominee pursuant to Regulation 14A under the Securities and Exchange Act of 1934, as amended (the "34 Act"), (v) a description of all arrangements or understandings between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder and (vi) as to the shareholder making such nomination (y) his name and address as they appear on the stock transfer books of the Corporation, and (z) the number of shares of each class of stock of the Corporation beneficially owned or directly or indirectly controlled by such shareholder. For purposes of this paragraph, beneficial ownership of shares shall be determined in accordance with Rule 13d-3 and Rule 13d-5 under the 1934 Act, and a proposed nominee or shareholder shall be deemed to control all shares which such proposed nominee or shareholder would be deemed or presumed to control in a control determination made in accordance with the provisions of applicable bank regulatory laws and regulations. Notwithstanding any other provision hereof, failure of any shareholder nomination for election as director to comply with the provisions of this Article I shall result in the proposed nomination not being presented to the shareholders at the meeting.

Section 1.4 Shareholder Proposals. Any shareholder entitled to vote in the election of Directors generally may propose one or more matters for presentation to the shareholders at any annual meeting of shareholders, provided that such shareholder has provided written notice of such shareholder's intent to make such proposal or proposals, either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Corporation not later than ninety

(90) days prior to the anniversary date of the immediately preceding annual meeting. Each such notice shall set forth: (i) the name and address of the shareholder(s) who intends to make the proposal, (ii) the number of shares of each class of stock of the Corporation beneficially owned or directly or indirectly controlled by each such person; (iii) such other information regarding each such proposal as would be required to be included in a proxy statement soliciting proxies for the approval of such proposal pursuant to Regulation 14A under the 34 Act, and (iv) a description of all arrangements or understandings between the shareholder(s) and any other person or persons (naming such person or persons) pursuant to which the proposal or proposals are to be made by the shareholder(s). For purposes of this paragraph, beneficial ownership of shares shall be determined in accordance with Rule 13d-3 and Rule 13d-5 under the 34 Act, and a shareholder shall be deemed to control all shares which such shareholder would be deemed or presumed to control in a control determination made in accordance with the provisions of applicable bank regulatory laws and regulations. The presiding officer of the meeting may refuse to acknowledge or present any proposal of any person not made in compliance with the foregoing procedure. Nothing contained in this By-law shall require the presentation for the vote or consideration of the shareholders of any matter which is not appropriate for action by the shareholders. No business or proposal shall be presented for the vote or consideration of shareholders at a special meeting of shareholders other than that contained in the notice of meeting and matters incidental to the conduct of such meeting.

Section 1.5 Judges of Election. Every election of Directors shall be managed by three (3) judges, who shall be appointed by the Board of Directors. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Treasurer, the officer performing the functions of a Treasurer, or the Secretary, a certificate under their hands, certifying the result thereof and names of the Directors elected. The judges of an election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

Section 1.6 Proxies. Shareholders may vote at any meeting of the shareholders by proxies duly authorized in writing. Proxies shall be valid only for one meeting, to be specified therein, and any adjournments of such meeting. Proxies shall be dated and shall be filed with the records of the meeting.

Section 1.7 Quorum. A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Incorporation.

Section 1.8 Presiding Officer and Secretary. Unless the Board of Directors shall appoint another person with respect to any meeting, the Chairman of the Board of Directors, or in his absence, the President, shall serve as the presiding officer for each annual or special meeting of shareholders, and the Treasurer, the person performing the functions of Treasurer, or the Secretary, shall serve as Secretary for the meeting.

Section 1.9 Action by Shareholders. All action by holders of the Corporation's outstanding voting securities shall be taken at an annual or special meeting of the shareholders duly called as provided by statute, the Articles of Incorporation and these By-Laws. Shareholders of the Corporation shall not have the power to act by written consent.

Section 1.10 Voting. Whenever Directors are to be elected at a meeting, they shall be elected by a plurality of the votes cast at the meeting by the holders of stock entitled to vote thereat. Whenever any corporate action, other than the election of Directors, is to be taken by vote of shareholders at a meeting, it shall be authorized by a majority of the capital stock issued, outstanding and entitled to vote, unless otherwise required by law, by the Articles of Incorporation or by these By-Laws.

Except as otherwise provided by law or by the Articles of Incorporation, each holder of record of capital stock of the Corporation entitled to vote on any matter shall be entitled to one vote for each share of capital stock standing in the name of such holder on the stock ledger of the Corporation on the record date for the determination of the shareholders entitled to vote on such matter.

ARTICLE II
Directors

Section 2.1 Board of Directors. The Board of Directors (hereinafter occasionally referred to as the "Board") shall have power to manage and administer the business affairs of the Corporation. Except as expressly limited by law, all corporate powers of the Corporation shall be vested in and may be exercised by said Board.

Section 2.2 Number. The Board shall consist of not less than five (5) nor more than fifteen (15) persons, the exact number within such minimum and maximum limits to be fixed and determined from time to time by the Articles of Incorporation, by resolution of a majority of the full Board or by resolution of the shareholders at any meeting thereof.

Section 2.3 Organization Meeting. The Treasurer, or the Secretary, upon receiving the certificate of the judges of the results of any election, shall notify the Directors-elect of their election and of the time at which they are required to meet at the Main Office of the Corporation or such other designated location for the purpose of organizing the new Board and electing and appointing officers of the Corporation for the succeeding year. Such meeting shall be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty (30) days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the Directors present may adjourn the meeting, from time to time, until a quorum is obtained.

Section 2.4 Regular Meetings. The Regular Meetings of the Board of Directors shall be held monthly on a day agreed to by a majority of the Board of Directors at the Main Office, or such other designated location. When any regular meeting of the Board falls upon a holiday, the meeting shall be held on the next business day unless the Board shall designate some other day.

Section 2.5 Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, or at the request of three (3) or more Directors. Each member of the Board shall be given notice stating time and place, by telephone, telegram, facsimile, letter or in person, of each such special meeting, except that notice of such special meeting may be waived by an instrument signed by all of the Directors before or after such special meeting and filed with the minutes of such meeting.

Section 2.6 Quorum. A majority of the Directors then in office shall constitute a quorum at any meeting, except when otherwise provided by law; but a lesser number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned without further notice. If a quorum is present, action by a majority of those Directors in attendance shall constitute action of the Board.

Section 2.7 Written Consents and Telephonic Participation. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or of such committee, as the case may be, consent thereto in writing and the writings are filed with the minutes of proceedings of the Board or committee. Members of the Board of Directors or any committee designated by the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment. Participation in a meeting by communications means pursuant to this section shall constitute presence in person at such meeting.

Section 2.8 Vacancies. When any vacancy occurs among the Directors, the remaining members of the Board, in accordance with the laws of the Commonwealth of Virginia, may appoint a Director to fill such vacancy at any regular meeting of the Board or at a special meeting called for that purpose, or if the Directors remaining in office constitute less than a quorum, by the vote of a majority of the Directors remaining in office, or by shareholders at a special meeting called for that purpose.

Section 2.9 Chairman of the Board. The Board of Directors shall elect from among their number a Chairman of the Board. The Chairman of the Board shall preside over the Board of Directors in the performance of its functions. He or she shall have shall perform all duties and exercise all powers as are incident to the office of Chairman of the Board and as may be prescribed by these By-Laws. The Chairman of the Board shall preside at all meetings of the

shareholders and of the Board of Directors. He or she shall have such other powers and shall perform such other duties as may be prescribed by the Board of Directors from time to time.

Section 2.10 Vice-Chairman. The Board of Directors may elect from among their number a Vice-Chairman of the Board. The Vice-Chairman shall, in the absence of the Chairman of the Board, preside over all meetings of shareholders and of the Board of Directors. He or she shall have such other powers and shall perform such other duties as may be prescribed by the Board of Directors from time to time.

ARTICLE III
Committees of the Board

The Board of Directors may from time to time, by resolution passed by a majority of the Board, designate an executive committee and such other committee of committees as it may determine, each committee to consist of two (2) or more Directors of the Corporation. Any such committee, to the extent provided in the resolution, shall have and may exercise any of the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it, all subject to the exceptions set forth in Virginia law. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any committee and of any alternate member designated by the Board, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any of such absent or disqualified member. Any such committee may adopt rules governing the method of calling and time and place of holding its meetings. Unless otherwise provided by the Board of Directors, a majority of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of the members of such committee present at a meeting at which a quorum is present shall constitute action of the committee. Each committee shall keep a record of its acts and proceedings and shall report thereon to the Board of Directors whenever requested so to do. Any or all members of any such committees may be removed, with or without cause, by resolution of the Board of Directors, adopted by a majority of the Board.

ARTICLE IV
Officers

Section 4.1 Officers. The officers of the bank, who shall be elected by the Board of Directors, shall be a Chief Executive Officer (hereinafter occasionally referred to as the "CEO"); a President; and one or more Vice Presidents who may have such designations, if any, as the Board of Directors may determine; a Secretary; and a Treasurer. The Board of Directors from time to time may elect such other officers or assistant officers as the Board of Directors may from time to time deem necessary or appropriate. Any two (2) or more of the foregoing offices may be held by the same person. The Chief Executive Officer shall be chosen from among the Directors.

Section 4.2 Term. The term of office of each officer shall be until the first meeting of the Board of Directors following the next annual meeting of shareholders, or until his or her respective successor has been elected and qualified, or until his or her earlier resignation or removal. Any officer may be removed from office at any time with or without cause by the affirmative vote of a majority of the members of the Board of Directors then in office. The removal of an officer without cause shall be without prejudice to his contract rights, if any, but the election or appointment of an officer shall not of itself create contract rights.

Section 4.3 Chief Executive Officer. The Board of Directors shall appoint one of its members to be the CEO. The CEO shall have general executive powers and shall have and may exercise any and all other powers and duties pertaining by law, regulation or practice, to the office of CEO, or imposed by these By-Laws. He or she may vote the stock or other securities of any other domestic or foreign corporation which may at any time be owned by the Corporation, may execute any shareholders' or other consents in respect thereof and may in his or her discretion delegate such powers by executing proxies, or otherwise, on behalf of the Corporation. He or she shall also have and may exercise such further powers and duties as from time to time may be conferred upon, or assigned to, him or her by

the Board. The CEO shall see that the books, reports, statements and certificates required by Virginia law are properly kept, made and filed according to law.

Section 4.4 President and Vice Presidents. The President and each Vice President, including any given a special or other designation by the Board of Directors in accordance with Section 4.1 of this Article IV, shall have such powers and shall perform such duties which are in the normal and usual business and affairs of the operating division or divisions or staff department, the operations for which he or she is responsible, including, subject to any and all limitations imposed by the Board or contained in the operating procedures and policies of the Corporation, the authority to sign contracts and other agreements which are within the ordinary course of the business of such division or divisions or staff departments.

Section 4.5 Other Officers. Subject to the authority of the CEO and the Board, the Secretary, Treasurer, and any other officers appointed by the Board shall have such duties and responsibilities as shall from time to time be prescribed by the person who is such officer's immediate superior, including such duties and responsibilities as are usually performed by persons holding such corporate office.

ARTICLE V
Stock and Stock Certificates

Section 5.1 Transfers. Transfers of stock shall be made only upon the books of the Corporation by the holder, in person or by duly authorized attorney, and on the surrender of the certificate or certificates for such stock properly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer. The Board of Directors shall have the power to make all such rules and regulations, not inconsistent with the Articles of Incorporation and these By-laws, as the Board may deem appropriate concerning the issue, transfer and registration of certificates for stock of the Corporation. The Board may appoint one or more transfer agents or registrars of transfers, or both, and may require all stock certificates to bear the signature of either or both, which signature or signatures may be in facsimile form if the Board by resolution authorizes such procedure.

Except as otherwise provided by law, the Corporation shall be entitled to recognize the exclusive right of a person who is registered on its books as the owner of shares of its capital stock to receive dividends or other distributions and to vote as such owner, and hold such person liable for calls and assessments. The Corporation shall not be bound to recognize any equitable, legal, or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by law.

Section 5.2 Uncertificated Shares; Certificates for Shares. The Board of Directors may authorize the issuance of uncertificated shares by the Corporation, and may prescribe procedures for the issuance and registration of transfer thereof, and with respect such other matters relating to uncertificated shares as the Board of Directors may deem appropriate. No such authorization shall affect previously issued and outstanding shares represented by certificates until such certificates shall have been surrendered to the Corporation. At the time of the issuance or transfer of any uncertificated shares, the Corporation shall issue or cause to be issued to the holder of such shares a written statement of the information required by these bylaws and such other information as may be required to be included on share certificates under Virginia law. Notwithstanding the adoption of any resolution providing for uncertificated shares, each registered holder of shares represented by uncertificated shares shall be entitled, upon request to the custodian of the stock transfer books of the Corporation, or other person designated as the custodian of the records of uncertificated shares, to have physical certificates representing such shares registered in such holder’s name.

Each certificate representing shares shall recite on its face the name of the Corporation and that it is organized under the laws of the Commonwealth of Virginia, the name of the person to whom issued; and the number and class of shares and the description of the series, if any, the certificate represents Certificates representing shares of the Corporation shall be signed by the Chairman of the Board of Directors, the President or a Vice-President and by the Treasurer or an assistant treasurer or by the Secretary or an assistant secretary of the Corporation, and may be sealed with the seal of the Corporation or a facsimile thereof.

When the Corporation is authorized to issue shares of more than one class, there shall be set forth upon the face or back of each certificate, or each certificate shall have a statement that the Corporation will furnish to any shareholder upon request and without charge a full statement of the designations, preferences, limitations and relative rights of the shares of each class authorized to be issued and, if the Corporation is authorized to issue different series within a class, the variations in the relative rights, preferences and limitations between the shares of each such series so far as the same have been fixed and determined and the authority of the Board of Directors to fix and determine variations of future series..

Section 5.3 Lost, Stolen or Destroyed Certificates. The Board of Directors may direct a new certificate or certificates to be issue in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or certificates, or his legal representative, to advertise the same in such a manner as it shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 5.4 Shareholder Record Date. In order that the Corporation may determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than seventy (70) days before the date of such meeting, nor more than seventy (70) days prior to any other action. Only such shareholders as shall be shareholders of record on the date so fixed shall be entitled to notice of, and vote at, such meeting and any adjournment thereof, or to receive payment of such dividend or other distribution, or to exercise such rights in respect of any such change, conversion or exchange of stock, or to participate in such action, as the case may be, notwithstanding any transfer of any stock on the books of the Corporation after any record date so fixed.

If no record date is fixed by the Board of Directors, (i) the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the date next preceding the date on which notice is given, and (ii) the record date for determining shareholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting to the extent permitted by Virginia law; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

ARTICLE VI
Seal

The CEO, the President, the Treasurer, the Secretary or any assistant Treasurer or assistant Secretary, or other officer thereunto designated by the Board of Directors shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:

(Impression)
(of)
(Seal)

ARTICLE VII
Miscellaneous Provisions

Sections 7.1 Fiscal Year. The Fiscal Year of the Corporation shall be the calendar year.

Section 7.2 Execution of Instruments. All agreements, indentures, mortgages, deeds, conveyance, transfers, satisfactions, declarations, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies, and other documents may be signed, executed, acknowledged, verified, delivered or accepted on behalf of the Corporation by the CEO, President or any Vice President, or the Secretary, or the Treasurer, or the officer vested with the authority of a Treasurer, subject to any and all limitations imposed by the Board of Directors or contained in the operating procedures and policies of the Corporation. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Corporation in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 7.2 are supplementary to any other provisions of these By-Laws.

Section 7.3 Records. The Articles of Incorporation, these By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, and standing committees of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary, Treasurer, or other officer appointed to act as Secretary of the meeting.

ARTICLE VIII
By-laws

Section 8.1 Inspection. A copy of these By-laws, with all amendments thereof, shall at all times be kept in a convenient place at the Main Office of the Corporation, and shall be open for inspection to all shareholders, during business hours.

Section 8.2 Amendments. These By-laws may be amended, altered or repealed at any regular meeting of the Board of Directors, by a vote of a majority of the total number of Directors, or at any special or annual meeting of shareholders, by a vote of a majority of the shares of the Corporation's capital stock issued, outstanding and entitled to vote.

Exhibit D

Virginia Stock Corporation Act § 13.1-729 – § 13.1-741.1

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Virginia Stock Corporation Act § 13.1-729 – § 13.1-741.1

§ 13.1-729. Definitions.

In this article:

"Affiliate" means a person who directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with another person or is a senior executive officer thereof.

"Beneficial shareholder" means a person who is the beneficial owner of shares held in a voting trust or by a nominee on the beneficial owner's behalf.

"Corporation" means the issuer of the shares held by a shareholder demanding appraisal and, for matters covered by §§ 13.1-734 through 13.1-740, includes the surviving entity in a merger.

"Fair value" means the value of the corporation's shares determined:

a. Immediately before the effectuation of the corporate action to which the shareholder objects;

b. Using customary and current valuation concepts and techniques generally employed for similar businesses in the context of the transaction requiring appraisal; and

c. Without discounting for lack of marketability or minority status except, if appropriate, for amendments to the articles pursuant to subdivision A 5 of § 13.1-730.

"Interest" means interest from the effective date of the corporate action until the date of payment, at the average rate currently paid by the corporation on its principal bank loans or, if none, at a rate that is fair and equitable under all the circumstances.

"Interested transaction" means a corporate action described in subsection A of § 13.1-730, other than a merger pursuant to § 13.1-719 or 13.1-719.1, involving an interested person in which any of the shares or assets of the corporation are being acquired or converted. As used in this definition:

1. "Beneficial owner" means any person who, directly or indirectly, through any contract, arrangement, or understanding, other than a revocable proxy, has or shares the power to vote, or to direct the voting of, shares; except that a member of a national securities exchange is not deemed to be a beneficial owner of securities held directly or indirectly by it on behalf of another person solely because the member is the record holder of the securities if the member is precluded by the rules of the exchange from voting without instruction on contested matters or matters that may affect substantially the rights or privileges of the holders of the securities to be voted. When two or more persons agree to act together for the purpose of voting their shares of the corporation, each member of the group formed thereby is deemed to have acquired beneficial ownership, as of the date of the agreement, of all voting shares of the corporation beneficially owned by any member of the group.

2. "Interested person" means a person, or an affiliate of a person, who at any time during the one-year period immediately preceding approval by the board of directors of the corporate action:

a. Was the beneficial owner of 20% or more of the voting power of the corporation, excluding any shares acquired pursuant to an offer for all shares having voting power if the offer was made within one year prior to the corporate action for consideration of the same kind and of a value equal to or less than that paid in connection with the corporate action;

b. Had the power, contractually or otherwise, to cause the appointment or election of 25% or more of the directors to the board of directors of the corporation; or

c. Was a senior executive officer or director of the corporation or a senior executive officer of any affiliate thereof, and that senior executive officer or director will receive, as a result of the corporate action, a financial benefit not generally available to other shareholders as such, other than:

(1) Employment, consulting, retirement, or similar benefits established separately and not as part of or in contemplation of the corporate action;

(2) Employment, consulting, retirement, or similar benefits established in contemplation of, or as part of, the corporate action that are not more favorable than those existing before the corporate action or, if more favorable, that have been approved on behalf of the corporation in the same manner as is provided in § 13.1-691; or

(3) In the case of a director of the corporation who will, in the corporate action, become a director of the acquiring entity in the corporate action or one of its affiliates, rights and benefits as a director that are provided on the same basis as those afforded by the acquiring entity generally to other directors of such entity or such affiliate.

“Preferred shares” means a class or series of shares whose holders have preference over any other class or series of shares with respect to distributions.

“Record shareholder” means the person in whose name shares are registered in the records of the corporation or the beneficial owner of shares to the extent of the rights granted by a nominee certificate on file with the corporation.

“Senior executive officer” means the chief executive officer, chief operating officer, chief financial officer and anyone in charge of a principal business unit or function.

“Shareholder” means both a record shareholder and a beneficial shareholder.

§ 13.1-730. Right to appraisal.

A. A shareholder is entitled to appraisal rights, and to obtain payment of the fair value of that shareholder’s shares, in the event of any of the following corporate actions:

1. Consummation of a merger to which the corporation is a party (i) if shareholder approval is required for the merger by § 13.1-718, or would be required but for the provisions of subsection G of § 13.1-718; however, appraisal rights shall not be available to any shareholder of the corporation with respect to shares of any class or series that remain outstanding after consummation of the merger or (ii) if the corporation is a subsidiary and the merger is governed by § 13.1-719;

2. Consummation of a share exchange to which the corporation is a party as the corporation whose shares will be acquired, except that appraisal rights shall not be available to any shareholder of the corporation with respect to any class or series of shares of the corporation that is not exchanged;

3. Consummation of a disposition of assets pursuant to § 13.1-724 if shareholder approval is required for the disposition, except that appraisal rights shall not be available to any shareholder of the corporation with respect to shares of any class or series if:

a. Under the terms of the corporate action approved by the shareholders there is to be distributed to the shareholders in cash the corporation's net assets, in excess of a reasonable amount reserved to meet claims of the type described in § 13.1-746 or 13.1-746.1:

(1) Within one year after the shareholders' approval of the action; and

(2) In accordance with their respective interests determined at the time of distribution; and

b. The disposition of assets is not an interested transaction;

4. An amendment of the articles of incorporation with respect to a class or series of shares that reduces the number of shares of a class or series owned by the shareholder to a fraction of a share if the corporation has the obligation or right to repurchase the fractional share so created;

5. Any other amendment to the articles of incorporation, or any other merger, share exchange or disposition of assets to the extent provided by the articles of incorporation, bylaws or a resolution of the board of directors; or .

6. Consummation of a domestication in which a domestic corporation becomes a foreign corporation if the shareholder does not receive shares in the foreign corporation resulting from the domestication that have terms as favorable to the shareholder in all material respects, and represent at least the same percentage interest in the total voting rights of the outstanding shares of the domestic corporation, as the shares held by the shareholder immediately before the domestication.

B. Notwithstanding subsection A, the availability of appraisal rights under subdivisions A 1 through A 4 shall be limited in accordance with the following provisions:

1. Appraisal rights shall not be available for the holders of shares of any class or series of shares that is:

a. A covered security under § 18(b)(1)(A) or (B) of the federal Securities Act of 1933, as amended;

b. Traded in an organized market and has at least 2,000 shareholders and a market value of at least $20 million, exclusive of the value of such shares held by the corporation's subsidiaries, senior executives, directors and beneficial shareholders owning more than 10 percent of such shares; or

c. Issued by an open end management investment company registered with the United States Securities and Exchange Commission under the Investment Company Act of 1940 and may be redeemed at the option of the holder at net asset value.

2. The applicability of subdivision 1 shall be determined as of:

a. The record date fixed to determine the shareholders entitled to receive notice of the meeting of shareholders to act upon the corporate action requiring appraisal rights; or

b. The day before the effective date of such corporate action if there is no meeting of shareholders.

3. Subdivision 1 shall not be applicable and appraisal rights shall be available pursuant to subsection A for the holders of any class or series of shares who are required by the terms of the corporate action requiring appraisal rights to accept for such shares anything other than cash or shares of any class or any series of shares of any corporation, or any other proprietary interest of any other entity, that satisfies the standards set forth in subdivision 1 at the time the corporate action becomes effective.

4. Subdivision 1 shall not be applicable and appraisal rights shall be available pursuant to subsection A for the holders of any class or series of shares where the corporate action is an interested transaction.

C. Notwithstanding any other provision of this section, the articles of incorporation as originally filed or any amendment thereto may limit or eliminate appraisal rights for any class or series of preferred shares, but any such limitation or elimination contained in an amendment to the articles of incorporation that limits or eliminates appraisal rights for any of such shares that are outstanding immediately prior to the effective date of such amendment or that the corporation is or may be required to issue or sell thereafter pursuant to any conversion, exchange or other right existing immediately before the effective date of such amendment shall not apply to any corporate action that becomes effective within one year of that date if such action would otherwise afford appraisal rights.

§ 13.1-731. Assertion of rights by nominees and beneficial owners.

A. A record shareholder may assert appraisal rights as to fewer than all the shares registered in the record shareholder's name but owned by a beneficial shareholder only if the record shareholder objects with respect to all shares of the class or series owned by the beneficial shareholder and notifies the corporation in writing of the name and address of each beneficial shareholder on whose behalf appraisal rights are being asserted. The rights of a record shareholder who asserts appraisal rights for only part of the shares held of record in the record shareholder's name under this subsection shall be determined as if the shares as to which the record shareholder objects and the record shareholder's other shares were registered in the names of different record shareholders.

B. A beneficial shareholder may assert appraisal rights as to shares of any class or series held on behalf of the shareholder only if such shareholder:

1. Submits to the corporation the record shareholder's written consent to the assertion of such rights no later than the date referred to in subdivision B 2 b of § 13.1-734; and

2. Does so with respect to all shares of the class or series that are beneficially owned by the beneficial shareholder.

§ 13.1-732. Notice of appraisal rights.

A. Where any corporate action specified in subsection A of § 13.1-730 is to be submitted to a vote at a shareholders' meeting, and the corporation has concluded that shareholders are or may be entitled to assert appraisal rights under this article, the meeting notice shall state the corporation's position as to the availability of appraisal rights.

A copy of this article shall accompany the meeting notice sent to those record shareholders who are or may be entitled to exercise appraisal rights.

B. In a merger pursuant to § 13.1-719, the parent corporation shall notify in writing all record shareholders of the subsidiary who are entitled to assert appraisal rights that the corporate action became effective. Such notice shall be sent within 10 days after the corporate action became effective and include the materials described in § 13.1-734.

C. Where any corporate action specified in subsection A of § 13.1-730 is to be approved by written consent of the shareholders pursuant to § 13.1-657:

1. Written notice that appraisal rights are, are not, or may be available must be given to each record shareholder from whom a consent is solicited at the time consent of such shareholder is first solicited and, if the corporation has concluded that appraisal rights are or may be available, must be accompanied by a copy of this article; and

2. Written notice that appraisal rights are, are not, or may be available must be delivered together with the notice to nonconsenting and nonvoting shareholders required by subsections F and G of § 13.1-657, may include the materials described in § 13.1-734, and, if the corporation has concluded that appraisal rights are or may be available, must be accompanied by a copy of this article.

D. Where corporate action described in subsection A of § 13.1-730 is proposed, or a merger pursuant to § 13.1-719 is effected, the notice referred to in subsection A or C, if the corporation concludes that appraisal rights are or may be available, and in subsection B shall be accompanied by:

1. The annual financial statements specified in subsection A of § 13.1-774 of the corporation that issued the shares that may be subject to appraisal, which shall be as of a date ending not more than 16 months before the date of the notice and shall comply with subsection B of § 13.1-774; provided that, if such annual financial statements are not reasonably available, the corporation shall provide reasonably equivalent financial information; and

2. The latest available quarterly financial statements of such corporation, if any.

E. A public corporation, or a corporation that ceased to be a public corporation as a result of the corporate action specified in subsection A of § 13.1-730, may fulfill its responsibilities under subsection D by delivering the

specified financial statements, or otherwise making them available, in any manner permitted by the applicable rules and regulations of the U.S. Securities and Exchange Commission if the corporation was a public corporation as of the date of the specified financial statements.

F. The right to receive the information described in subsection D may be waived in writing by a shareholder before or after the corporate action.

§ 13.1-733. Notice of intent to demand payment.

A. If a corporate action specified in subsection A of § 13.1-730 is submitted to a vote at a shareholders' meeting, a shareholder who wishes to assert appraisal rights with respect to any class or series of shares:

1. Must deliver to the corporation before the vote is taken written notice of the shareholder's intent to demand payment if the proposed action is effectuated; and

2. Must not vote, or cause or permit to be voted, any shares of such class or series in favor of the proposed action.

B. If a corporate action specified in subsection A of § 13.1-730 is to be approved by shareholders by written consent, a shareholder who wishes to assert appraisal rights with respect to any class or series of shares:

1. Shall deliver to the corporation before the proposed action becomes effective written notice of the shareholder's intent to demand payment if the proposed action is effectuated, except that such written notice is not required if the notice required by subsection C of § 13.1-732 is given less than 25 days prior to the date such proposed action is effectuated; and

2. Shall not sign a consent in favor of the proposed action with respect to that class or series of shares.

C. A shareholder who fails to satisfy the requirements of subsection A or B is not entitled to payment under this article.

13.1-734. Appraisal notice and form.

A. If proposed corporate action requiring appraisal rights under § 13.1-730 becomes effective, the corporation shall deliver an appraisal notice and the form required by subdivision B 1 to all shareholders who satisfied the requirements of § 13.1-733. In the case of a merger under § 13.1-719, the parent corporation shall deliver an appraisal notice and form to all record shareholders who may be entitled to assert appraisal rights.

B. The appraisal notice shall be sent no earlier than the date the corporate action specified in subsection A of § 13.1-730 became effective and no later than 10 days after such date and shall:

1. Supply a form that (i) specifies the first date of any announcement to shareholders made prior to the date the corporate action became effective of the principal terms of the proposed corporate action, (ii) if such announcement was made, requires the shareholder asserting appraisal rights to certify whether beneficial ownership of those shares for which appraisal rights are asserted was acquired before that date, and (iii) requires the shareholder asserting appraisal rights to certify that such shareholder did not vote for or consent to the transaction;

2. State:

a. Where the form must be sent and where certificates for certificated shares must be deposited and the date by which those certificates must be deposited, which date may not be earlier than the date for receiving the required form under subdivision 2 b of this subsection;

b. A date by which the corporation must receive the form which date may not be fewer than 40 nor more than 60 days after the date the subsection A appraisal notice and form were sent, and state that the shareholder shall have waived the right to demand appraisal with respect to the shares unless the form is received by the corporation by such specified date;

c. The corporation's estimate of the fair value of the shares;

d. That, if requested in writing, the corporation will provide, to the shareholder so requesting, within 10 days after the date specified in subdivision 2 b of this subsection, the number of shareholders who returned the form by the specified date and the total number of shares owned by them; and

e. The date by which the notice to withdraw under § 13.1-735.1 must be received, which date must be within 20 days after the date specified in subdivision 2 b of this subsection; and

3. Be accompanied by a copy of this article.

§ 13.1-735.

Repealed by Acts 2005, c. 765, cl. 2.

§ 13.1-735.1. Perfection of rights; right to withdraw.

A. A shareholder who receives notice pursuant to § 13.1-734 and who wishes to exercise appraisal rights must complete, sign, and return the form sent by the corporation and, in the case of certificated shares, deposit the shareholder's certificates in accordance with the terms of the notice by the date referred to in the notice pursuant to subdivision B 2 b of § 13.1-734. If the form requires the shareholder to certify whether the beneficial owner of such shares acquired beneficial ownership of the shares before the date required to be set forth in the notice pursuant to subdivision B 1 of § 13.1-734, and the shareholder fails to make the certification, the corporation may elect to treat the shareholder's shares as after-acquired shares under § 13.1-738. Once a shareholder deposits that shareholder's certificates or, in the case of uncertificated shares, returns the signed form, that shareholder loses all rights as a shareholder, unless the shareholder withdraws pursuant to subsection B.

B. A shareholder who has complied with subsection A may nevertheless decline to exercise appraisal rights and withdraw from the appraisal process by so notifying the corporation in writing by the date set forth in the appraisal notice pursuant to subdivision B 2 e of § 13.1-734. A shareholder who fails to withdraw from the appraisal process may not thereafter withdraw without the corporation's written consent.

C. A shareholder who does not sign and return the form and, in the case of certificated shares, deposit that shareholder's share certificates where required, each by the date set forth in the notice described in subsection B of § 13.1-734, shall not be entitled to payment under this article.

§ 13.1-736.

Repealed by Acts 2005, c. 765, cl. 2.

§ 13.1-737. Payment.

A. Except as provided in § 13.1-738, within 30 days after the form required by subsection B 2 b of § 13.1-734 is due, the corporation shall pay in cash to those shareholders who complied with subsection A of § 13.1-735.1 the amount the corporation estimates to be the fair value of their shares plus interest.

B. The payment to each shareholder pursuant to subsection A shall be accompanied by:

1. The (i) annual financial statements specified in subsection A of § 13.1-774 of the corporation that issued the shares to be appraised, which shall be as of a date ending not more than 16 months before the date of payment and shall comply with subsection B of § 13.1-774; provided that, if such annual financial statements are not available, the corporation shall provide reasonably equivalent information, and (ii) the latest available quarterly financial statements of such corporation, if any;

2. A statement of the corporation's estimate of the fair value of the shares, which estimate shall equal or exceed the corporation's estimate given pursuant to subdivision B 2 c of § 13.1-734; and

3. A statement that shareholders described in subsection A have the right to demand further payment under § 13.1-739 and that if any such shareholder does not do so within the time period specified therein, such shareholder shall be deemed to have accepted such payment in full satisfaction of the corporation's obligations under this article.

C. A public corporation, or a corporation that ceased to be a public corporation as a result of the corporate action specified in subsection A of § 13.1-730, may fulfill its responsibilities under subdivision B 1 by delivering the specified financial statements, or otherwise making them available, in any manner permitted by the applicable rules and regulations of the U.S. Securities and Exchange Commission if the corporation was a public corporation as of the date of the specified financial statements.

§ 13.1-738. After-acquired shares.

A. A corporation may elect to withhold payment required by § 13.1-737 from any shareholder who was required to, but did not certify that beneficial ownership of all of the shareholder's shares for which appraisal rights are asserted was acquired before the date set forth in the appraisal notice sent pursuant to subdivision B 1 of § 13.1-734.

B. If the corporation elected to withhold payment under subsection A, it shall, within 30 days after the form required by subdivision B 2 b of § 13.1-734 is due, notify all shareholders who are described in subsection A:

1. Of the information required by subdivision B 1 of § 13.1-737;

2. Of the corporation's estimate of fair value pursuant to subdivision B 2 of § 13.1-737 and its offer to pay such value plus interest;

3. That they may accept the corporation's estimate of fair value plus interest in full satisfaction of their demands or demand for appraisal under § 13.1-739;

4. That those shareholders who wish to accept such offer must so notify the corporation of their acceptance of the corporation's offer within 30 days after receiving the offer; and

5. That those shareholders who do not satisfy the requirements for demanding appraisal under § 13.1-739 shall be deemed to have accepted the corporation's offer.

C. Within 10 days after receiving a shareholder's acceptance pursuant to subsection B, the corporation shall pay in cash the amount it offered under subdivision B 2 to each shareholder who agreed to accept the corporation's offer in full satisfaction of the shareholder's demand.

D. Within 40 days after sending the notice described in subsection B, the corporation shall pay in cash the amount it offered to pay under subdivision B 2 to each shareholder described in subdivision B 5.

§ 13.1-739. Procedure if shareholder dissatisfied with payment or offer.

A. A shareholder paid pursuant to § 13.1-737 who is dissatisfied with the amount of the payment must notify the corporation in writing of that shareholder's stated estimate of the fair value of the shares and demand payment of that estimate plus interest (less any payment under § 13.1-737). A shareholder offered payment under § 13.1-738 who is dissatisfied with that offer must reject the offer and demand payment of the shareholder's estimate of the fair value of the shares plus interest.

B. A shareholder who fails to notify the corporation in writing of that shareholder's demand to be paid the shareholder's stated estimate of the fair value plus interest under subsection A within 30 days after receiving the corporation's payment or offer of payment under § 13.1-737 or 13.1-738, respectively, waives the right to demand payment under this section and shall be entitled only to the payment made or offered pursuant to those respective sections.

§ 13.1-740. Court action.

A. If a shareholder makes a demand for payment under § 13.1-739 that remains unsettled, the corporation shall commence a proceeding within 60 days after receiving the payment demand and petition the court to determine the fair value of the shares and accrued interest. If the corporation does not commence the proceeding within the 60-day period, it shall pay in cash to each shareholder the amount the shareholder demanded pursuant to § 13.1-737 plus interest.

B. The corporation shall commence the proceeding in the circuit court of the city or county where the corporation's principal office, or, if none in the Commonwealth, where its registered office, is located. If the corporation is a foreign corporation without a registered office in the Commonwealth, it shall commence the proceeding in the circuit court of the city or county in the Commonwealth where the principal office, or, if none in the Commonwealth, where the registered office of the domestic corporation merged with the foreign corporation was located at the time the transaction became effective.

C. The corporation shall make all shareholders, whether or not residents of the Commonwealth, whose demands remain unsettled parties to the proceeding as in an action against their shares, and all parties shall be served with a copy of the petition. Nonresidents may be served by registered or certified mail or by publication as provided by law.

D. The corporation may join as a party to the proceeding any shareholder who claims to have demanded an appraisal but who has not, in the opinion of the corporation, complied with the provisions of this article. If the court determines that a shareholder has not complied with the provisions of this article, that shareholder shall be dismissed as a party.

E. The jurisdiction of the court in which the proceeding is commenced under subsection B is plenary and exclusive. The court may appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers shall have the powers described in the order appointing them, or in any amendment to it. The shareholders demanding appraisal are entitled to the same discovery rights as parties in other civil proceedings. There shall be no right to a jury trial.

F. Each shareholder made a party to the proceeding is entitled to judgment (i) for the amount, if any, by which the court finds the fair value of the shareholder's shares plus interest exceeds the amount paid by the corporation to the shareholder for such shares or (ii) for the fair value plus interest of the shareholder's shares for which the corporation elected to withhold payment under § 13.1-738.

§ 13.1-741. Court costs and counsel fees.

A. The court in an appraisal proceeding commenced under § 13.1-740 shall determine all costs of the proceeding, including the reasonable compensation and expenses of appraisers appointed by the court. The court shall assess the costs against the corporation, except that the court may assess costs against all or some of the shareholders demanding appraisal, in amounts the court finds equitable, to the extent the court finds such shareholders acted arbitrarily, vexatiously or not in good faith with respect to the rights provided by this article.

B. The court in an appraisal proceeding may also assess the fees and expenses of counsel and experts for the respective parties, in amounts the court finds equitable:

1. Against the corporation and in favor of any or all shareholders demanding appraisal if the court finds the corporation did not substantially comply with the requirements of § 13.1-732, 13.1-734, 13.1-737 or 13.1-738; or

2. Against either the corporation or a shareholder demanding appraisal, in favor of any other party, if the court finds that the party against whom the fees and expenses are assessed acted arbitrarily, vexatiously or not in good faith with respect to the rights provided by this article.

C. If the court in an appraisal proceeding finds that the services of counsel for any shareholder were of substantial benefit to other shareholders similarly situated, and that the fees for those services should not be assessed against the

corporation, the court may award to such counsel reasonable fees to be paid out of the amounts awarded the shareholders who were benefited.

D. To the extent the corporation fails to make a required payment pursuant to § 13.1-737, 13.1-738 or 13.1-739, the shareholder may sue directly for the amount owed and, to the extent successful, shall be entitled to recover from the corporation all costs and expenses of the suit, including counsel fees.

§ 13.1-741.1. Limitations on other remedies for fundamental transactions.

A. Except for action taken before the Commission pursuant to § 13.1-614 or as provided in subsection B, the legality of a proposed or completed corporate action described in subsection A of § 13.1-730 may not be contested, nor may the corporate action be enjoined, set aside or rescinded, in a legal or equitable proceeding by a shareholder after the shareholders have approved the corporate action.

B. Subsection A does not apply to a corporate action that:

1. Was not authorized and approved in accordance with the applicable provisions of:

a. Article 11 (§ 13.1-705 et seq.), Article 12 (§ 13.1-715.1 et seq.), or Article 13 (§ 13.1-723 et seq.);

b. The articles of incorporation or bylaws; or

c. The resolutions of the board of directors authorizing the corporate action;

2. Was procured as a result of fraud, a material misrepresentation, or an omission of a material fact necessary to make statements made, in light of the circumstances in which they were made, not misleading;

3. Is an interested transaction, unless it has been authorized, approved or ratified by the board of directors in the same manner as is provided in subsection B of § 13.1-691 and has been authorized, approved or ratified by the shareholders in the same manner as is provided in subsection C of § 13.1-691 as if the interested transaction were a director's conflict of interests transaction; or

4. Is adopted or taken by less than unanimous consent of the voting shareholders pursuant to § 13.1-657 if:

a. The challenge to the corporate action is brought by a shareholder who did not consent to the corporate action; and

b. The proceeding challenging the corporate action is commenced within 10 days after notice of the adoption or taking of the corporate action is effective as to the shareholder bringing the proceeding.

C. Any remedial action with respect to corporate action described in subsection A of § 13.1-730 shall not limit the scope of, or be inconsistent with, any provision of § 13.1-614.