Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 246(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850o(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

NOTE: The Annual Report of Holding Companies must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

I. Randal R. Greene
Name of the Holding Company Director and Official
President and CEO
Title of the Holding Company Director and Official

attest that the Annual Report of Holding Companies (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of object to public release of information regarding that individual.

The Reporter certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual.

Signature of Holding Company Director and Official
3/30/2017

Date of Signature

For holding companies not registered with the SEC—Indicate status of Annual Report to Shareholders:
☐ is included with the FR Y-6 report
☐ will be sent under separate cover
☐ is not prepared

For Federal Reserve Bank Use Only

RSSD ID
C.I.

Is confidential treatment requested for any portion of this report submission? [ ] Yes [ ] No 0

In accordance with the General Instructions for this report (check only one),

1. a letter justifying this request is being provided along with the report…………………[ ]

2. a letter justifying this request has been provided separately………………………………[ ]

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.50 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.

12/2016
Bay Banks of Virginia, Inc.
100 South Main Street
P.O. Box 1869
Kilmarnock, Virginia 22482

For the Year Ended December 31, 2016

Form FR Y-6
Annual Report of Holding Companies

Item 1: Annual Report to Shareholders
Not applicable (Form 10-K filed with SEC on 3/22/2017)

Item 2a: Organization Chart
Attached

Item 2b: Domestic Branch Listing
No corrections (e-mailed on 3/22/2017)

Item 3(1): Securities Holders
Attached

Item 3(2): Securities Holders
None

Item 4(1-4): Insiders
Attached
Bay Banks of Virginia, Inc.
Kilmarnock, Virginia
December 31, 2016

- Bay Banks of Virginia, Inc.
  A Bank Holding Company
  NO LEI
  Kilmarnock, VA
  Incorporated in Virginia

  - Bank of Lancaster
    A state chartered, FDIC insured
    Bank
    NO LEI
    Kilmarnock, VA
    Established in Virginia
    100%

  - Bay Services Company, Inc.
    NO LEI
    Kilmarnock, VA
    Incorporated in Virginia
    100%

  - Bay Trust Company
    A Trust and Fiduciary Services
    Provider
    NO LEI
    Kilmarnock, VA
    Established in Virginia
    100%

- Bankers Title of Shenandoah, LLC
  NO LEI
  Winchester, VA
  Organized in Virginia
  7% (non-managing Member)
Results: A list of branches for your depository institution: BANK OF LANCASTER (ID_RSSD: 34425).
This depository institution is held by BAY BANKS OF VIRGINIA, INC. (2560665) of KILMARNOCK, VA.
The data are as of 12/31/2016. Data reflects information that was received and processed through 01/10/2017.

Reconciliation and Verification Steps
1. In the Data Action column of each branch row, enter one or more of the actions specified below
2. If required, enter the date in the Effective Date column

Actions
OK: If the branch information is correct, enter 'OK' in the Data Action column.
Change: If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the Data Action column and the date when this information first became valid in the Effective Date column.
Close: If a branch listed was sold or closed, enter 'Close' in the Data Action column and the sale or closure date in the Effective Date column.
Delete: If a branch listed was never owned by this depository institution, enter 'Delete' in the Data Action column.
Add: If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the Data Action column and the opening or acquisition date in the Effective Date column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

Submission Procedure
When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.
If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:
To satisfy the FR Y-10 reporting requirements, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a Data Action of Change, Close, Delete, or Add.
The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - https://y10online.federalreserve.gov.

* FDIC UNINUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

<table>
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<tr>
<th>Data Action</th>
<th>Effective Date</th>
<th>Branch Service Type</th>
<th>Branch ID_RSSD</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
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<td>Full Service (Head Office)</td>
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<td>BANK OF LANCASTER</td>
<td>100 S MAIN STREET</td>
<td>KILMARNOCK</td>
<td>VA</td>
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<td>18 SANDY STREET</td>
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<td>680 MCKINNEY BOULEVARD</td>
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<td>10880 GENERAL PULLER HIGHWAY</td>
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<td>PARAGON PLACE</td>
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<td>4776563</td>
<td>PATTERSON AVENUE OFFICE</td>
<td>5711 PATTERSON AVENUE</td>
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<td>4843906</td>
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<td>WARSAW BRANCH</td>
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<td>WHITE STONE BRANCH</td>
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<td>County</td>
<td>Country</td>
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<td>Office Number*</td>
<td>Head Office</td>
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<td>RICHMOND CITY</td>
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<tr>
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</table>
## Report Item 3 (1): Securities Holders

<table>
<thead>
<tr>
<th>Name &amp; Address</th>
<th>Shares of Common Stock</th>
<th>Options on Common Stock</th>
<th>Total Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Julien Patterson Bonita Springs, FL, USA</td>
<td>295,812 5.9%</td>
<td>3,561 0.1%</td>
<td>299,373 6.0%</td>
</tr>
<tr>
<td>Maltese Capital Management, LLC New York, NY, USA</td>
<td>469,700 9.4%</td>
<td>0 0.0%</td>
<td>469,700 9.4%</td>
</tr>
<tr>
<td>Stanley Woodward, Jr. &amp; Marie Jose' B. Woodward Charlottesville, VA, USA</td>
<td>352,948 7.1%</td>
<td>0 0.0%</td>
<td>352,948 7.1%</td>
</tr>
</tbody>
</table>
### Report Item 4: Directors and Officers

<table>
<thead>
<tr>
<th>Name &amp; Address</th>
<th>Principal Occupation if other than with Bank Holding Company</th>
<th>Title or Position with Bank Holding Company</th>
<th>Title &amp; Position with Subsidiaries (including names of subsidiaries)</th>
<th>Title &amp; Position with other businesses (include names of other businesses)</th>
<th>Percentage of Voting shares in Bank Holding Co.</th>
<th>Percentage of Voting shares in Subs</th>
<th>Names of other Companies if 25% or more of voting securities are held (including percentage held)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert F. Hurliman</td>
<td>Retired, Director of Vehicle Logistics of DaimlerChrysler Corp.</td>
<td>Chairman of the Board and Director</td>
<td>N/A</td>
<td>Chairman</td>
<td>N/A</td>
<td>0.6%</td>
<td>N/A</td>
</tr>
<tr>
<td>Richard A. Farmar, III</td>
<td>Insurance Owner, Insurance Agency</td>
<td>Director</td>
<td>N/A</td>
<td>President, SIFA Corporation Manager, R&amp;S Properties, LLC (Montana)</td>
<td>1.1%</td>
<td>N/A</td>
<td>100% - SIFA Corporation 50% - R&amp;S Properties, LLC</td>
</tr>
<tr>
<td>Julien G. Patterson</td>
<td>Retired Founder and Past Chairman of Omnimedia Corporation</td>
<td>Director</td>
<td>N/A</td>
<td>Director - Northern Neck Insurance</td>
<td>6.0%</td>
<td>N/A</td>
<td>50% - Omni Design Group Ownership Interest held by Julien G. Patterson Revocable Trust, Julien G. Patterson Trustee</td>
</tr>
<tr>
<td>Randal R. Greene</td>
<td>President &amp; CEO of Bank of Lancaster</td>
<td>President and CEO and Director</td>
<td>President and CEO and Director</td>
<td>Chief Manager - Creative Signs, LLC Chief Manager - Walnut Street Enterprises, LLC Partner - G &amp; S Properties Partner - Woods and Greene</td>
<td>1.3%</td>
<td>N/A</td>
<td>50% - Creative Signs, LLC 50% Walnut Street Enterprises, LLC 50% G &amp; S Properties 50% Woods and Greene</td>
</tr>
<tr>
<td>Deborah M. Evans</td>
<td>CFO, Cashier &amp; Sr. Vice President of Bank of Lancaster</td>
<td>CFO &amp; Treasurer</td>
<td>CFO, Cashier and Senior Vice President</td>
<td>Treasurer</td>
<td>N/A</td>
<td>0.7%</td>
<td>N/A</td>
</tr>
<tr>
<td>Elizabeth H. Crowther</td>
<td>President, Rappahannock Community College</td>
<td>Director</td>
<td>N/A</td>
<td>Director, Northern Neck Insurance</td>
<td>0.1%</td>
<td>N/A</td>
<td>50% - Night Sky, LLC</td>
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<tr>
<td>Douglas F. Jenkins</td>
<td>Executive Vice President and Chief Banking Officer of Bank of Lancaster</td>
<td>Executive Vice President and Chief Banking Officer</td>
<td>Executive Vice President and Chief Banking Officer</td>
<td>N/A</td>
<td>N/A</td>
<td>0.8%</td>
<td>N/A</td>
</tr>
<tr>
<td>C. Dwight Clarke</td>
<td>Partner, Dehnert, Clarke &amp; Co., P.C. (CPA Firm)</td>
<td>Director</td>
<td>Director</td>
<td>Vice President &amp; Treasurer Dehnert, Clarke &amp; Co., P.C.</td>
<td>0.2%</td>
<td>N/A</td>
<td>50% - Williams Steamboat, LLC 50% - Dehnert &amp; Clarke</td>
</tr>
</tbody>
</table>

**December 31, 2016**