

AMERICAN NATIONAL BANKSHARES INC.

Form S-4/A

February 06, 2019

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As filed with the Securities and Exchange Commission on February 6, 2019

Registration No. 333-228810

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

PRE-EFFECTIVE AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT

Under

THE SECURITIES ACT OF 1933

AMERICAN NATIONAL BANKSHARES INC.

(Exact name of registrant as specified in its charter)

Virginia (State or other jurisdiction of incorporation or organization)	6021 (Primary Standard Industrial Classification Code Number)	54-1284688 (I.R.S. Employer Identification No.)
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628 Main Street

Danville, Virginia 24541

(434) 792-5111

(Address, including zip code, and telephone number, including area
code, of registrant's principal executive offices)

Jeffrey V. Haley

President and Chief Executive Officer

American National Bankshares Inc.

628 Main Street

Danville, Virginia 24541

(434) 792-5111

(Name, address, including zip code, and telephone number,
including area code, of agent for service)

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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and upon completion of the merger.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay

its effective date until the Registrant shall file a further amendment which specifically states this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This joint proxy statement/prospectus does not constitute an offer to sell these securities, nor a solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale is not permitted.

PRELIMINARY SUBJECT TO COMPLETION DATED FEBRUARY 6, 2019

PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

Dear Fellow Shareholders:

The boards of directors of American National Bankshares Inc. and HomeTown Bankshares Corporation have approved a strategic merger in which HomeTown will merge with and into American National. After the merger, American National is expected to have approximately \$2.4 billion in assets, \$2.0 billion in deposits and \$1.8 billion in gross loans with offices throughout southwest and south central Virginia and north central North Carolina. We are sending you this document to ask you, as an American National and/or HomeTown shareholder, to approve the merger.

In the merger, each share of HomeTown common stock will be converted into the right to receive 0.4150 shares of American National common stock. Although the number of shares of American National common stock that HomeTown shareholders will receive is fixed, the market value of the merger consideration will fluctuate with the market price of American National common stock and will not be known at the time the American National and HomeTown shareholders vote on the merger. Based on the closing sale price for American National common stock on the Nasdaq Global Select Market on October 1, 2018 (\$39.11), the last trading day before public announcement of the merger, the 0.4150 exchange ratio represented approximately \$16.23 in value for each share of HomeTown common stock. The most recent reported closing sale price for American National common stock on February 5, 2019 was \$33.32. The most recent reported closing sale price for HomeTown common stock on February 5, 2019 was \$13.45. Based on the 0.4150 exchange ratio and the number of shares of HomeTown common stock outstanding and reserved for issuance under various stock incentive plans and agreements, the maximum number of shares of American National common stock offered by American National and issuable in the merger is 2,455,855. **We urge you to obtain current market quotations for American National (trading symbol AMNB) and HomeTown (trading symbol HMTA).**

Your vote is very important. We are holding special meetings of our respective shareholders to obtain approval of the merger agreement and related plan of merger and related matters as described in the attached joint proxy statement/prospectus. Approval of the merger agreement and related plan of merger requires the affirmative vote of the holders of more than two-thirds of the outstanding shares of American National common stock, and the affirmative vote of the holders of a majority of the outstanding shares of HomeTown common stock.

Whether or not you plan to attend the American National or HomeTown special meeting, it is important that your shares be represented at the meeting and your vote recorded. Please take the time to vote by completing and mailing the enclosed proxy card or by voting via the Internet or telephone using the instructions given on the proxy card. Even if you return the proxy card, you may attend the special meeting and vote your shares in person.

The boards of directors of American National and HomeTown unanimously recommend that you vote FOR approval of the merger agreement and the related plan of merger and FOR the other matters to be considered at each special meeting.

This joint proxy statement/prospectus describes the special meetings, the merger, the documents related to the merger and other related matters. Please carefully read this joint proxy statement/prospectus, including the information in the Risk Factors section beginning on page 26. You can also obtain information about American National and HomeTown from documents that each company has filed with the Securities and Exchange Commission.

Thank you for your support.

Jeffrey V. Haley

Susan K. Still

President and Chief Executive Officer

President and Chief Executive Officer

American National Bankshares Inc.

HomeTown Bankshares Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the merger or determined if this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The securities to be issued in the merger are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of either American National or HomeTown, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

This joint proxy statement/prospectus is dated February [], 2019 and is first being mailed to shareholders of American National and HomeTown on or about February [], 2019.

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AMERICAN NATIONAL BANKSHARES INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To be held on March 19, 2019

A special meeting of shareholders of American National Bankshares Inc. (American National) will be held at The Wednesday Club, located at 1002 Main Street, Danville, Virginia, at 9:00 a.m. local time, on Tuesday, March 19, 2019 for the following purposes:

1. To consider and vote on a proposal to approve the Agreement and Plan of Reorganization, dated as of October 1, 2018, between American National and HomeTown Bankshares Corporation (HomeTown), including the related Plan of Merger (together, the merger agreement), pursuant to which HomeTown will merge with and into American National, as more fully described in the accompanying joint proxy statement/prospectus (the American National merger proposal). A copy of the merger agreement is attached as Appendix A to the accompanying joint proxy statement/prospectus.
2. To consider and vote on a proposal to adjourn the meeting to a later date, if necessary or appropriate, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to approve the American National merger proposal (the American National adjournment proposal).

3. To transact such other business as may properly come before the meeting or any adjournments thereof. All holders of record of American National common stock at the close of business on January 31, 2019, are entitled to notice of and to vote at the meeting and any adjournments thereof.

By Order of the Board of Directors,

William W. Traynham

Secretary

February [], 2019

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The American National board of directors unanimously recommends that you vote FOR the American National merger proposal and FOR the American National adjournment proposal.

Please promptly vote by completing and returning the enclosed proxy card, whether or not you plan to attend the special meeting. You may also vote via the Internet or telephone by following the instructions on the proxy card. If you attend the meeting in person, you may withdraw your proxy card and vote your shares in person.

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HOMETOWN BANKSHARES CORPORATION

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To be held on March 19, 2019

A special meeting of shareholders of HomeTown Bankshares Corporation (HomeTown) will be held at Fitzpatrick Hall of The Jefferson Center, located at 541 Luck Avenue, S.W., Roanoke, Virginia, at 2:00 p.m. local time, on Tuesday, March 19, 2019 for the following purposes:

1. To consider and vote on a proposal to approve the Agreement and Plan of Reorganization, dated as of October 1, 2018, between American National Bankshares Inc. (American National) and HomeTown, including the related Plan of Merger (together, the merger agreement), pursuant to which HomeTown will merge with and into American National, as more fully described in the accompanying joint proxy statement/prospectus (the HomeTown merger proposal). A copy of the merger agreement is attached as Appendix A to the accompanying joint proxy statement/prospectus.
2. To consider and vote on a proposal to approve, in a non-binding advisory vote, certain compensation that may become payable to HomeTown s named executive officers in connection with the merger (the compensation proposal).
3. To consider and vote on a proposal to adjourn the meeting to a later date, if necessary or appropriate, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to approve the HomeTown merger proposal (the HomeTown adjournment proposal).
4. To transact such other business as may properly come before the meeting or any adjournments thereof.

All holders of record of HomeTown common stock at the close of business on January 31, 2019, are entitled to notice of and to vote at the meeting and any adjournments thereof.

By Order of the Board of Directors,

George B. Cartledge

Chairman

February [], 2019

The HomeTown board of directors unanimously recommends that you vote FOR the HomeTown merger proposal, FOR the compensation proposal and FOR the HomeTown adjournment proposal.

Please promptly vote by completing and returning the enclosed proxy card, whether or not you plan to attend the special meeting. You may also vote via the Internet or telephone by following the instructions on the proxy card. If you attend the meeting in person, you may withdraw your proxy card and vote your shares in person.

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates by reference important business and financial information about American National and HomeTown from other documents that are not included in or delivered with this joint proxy statement/prospectus. For a listing of the documents incorporated by reference, see *Where You Can Find More Information* beginning on page 103. **This information is available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus through the website of the Securities and Exchange Commission (the SEC) at <http://www.sec.gov>, through the website of American National at <http://www.amnb.com> and the website of HomeTown at <http://www.hometownbank.com> or by requesting them in writing or by telephone at the contact information set forth below:**

American National Bankshares Inc.

628 Main Street

Danville, Virginia 24541

Telephone: (434) 792-5111

Attention: William W. Traynham, Executive

Vice President and Chief Financial Officer

Regan & Associates, Inc.

505 Eighth Avenue Suite 800

New York, New York 10018

Attention: Artie Regan

Telephone: (800) 737-3426

Information contained on the websites of American National or HomeTown, or any subsidiary of American National or HomeTown, does not constitute part of this joint proxy statement/prospectus and is not incorporated into other filings that American National or HomeTown makes with the SEC.

To receive timely delivery of the documents in advance of the special meetings, please make your request no later than March 12, 2019.

HomeTown Bankshares Corporation

202 S. Jefferson Street

Roanoke, Virginia 24002

Telephone: (540) 345-6000

Attention: Susan K. Still, President and

Chief Executive Officer

Regan & Associates, Inc.

505 Eighth Avenue Suite 800

New York, New York 10018

Attention: Artie Regan

Telephone: (800) 737-3426

In this joint proxy statement/prospectus, American National Bankshares Inc. is referred to as American National and HomeTown Bankshares Corporation is referred to as HomeTown. The merger of HomeTown with and into American National is referred to as the merger, and the Agreement and Plan of Reorganization, dated as of October 1, 2018, between American National and HomeTown, including the related Plan of Merger to be filed with the State Corporation Commission of the Commonwealth of Virginia (along with the articles of merger), is referred to as the merger agreement, a copy of which is attached as Appendix A to this joint proxy statement/prospectus. American National's proposal to approve the merger agreement is referred to as the American National merger proposal. American National's proposal to adjourn its special meeting to a later date, if necessary or appropriate, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to approve the American National merger proposal is referred to as the American National adjournment proposal. HomeTown's proposal to approve the merger agreement is referred to as the HomeTown merger proposal. HomeTown's proposal to approve, in a non-binding advisory vote, certain compensation that may become payable to HomeTown's named executive officers in connection with the merger is referred to as the compensation proposal. HomeTown's proposal to adjourn its special meeting to a later date, if necessary or appropriate, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to approve the HomeTown merger proposal is referred to as the HomeTown adjournment proposal. The special meeting of shareholders of American National and the special meeting of shareholders of HomeTown are sometimes referred to collectively as the special meetings.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETINGS

The following questions and answers briefly address some commonly asked questions about the special meetings and the merger. They may not include all of the information that is important to American National and HomeTown shareholders. We urge shareholders to read carefully this joint proxy statement/prospectus, including the appendices and the other documents referred to herein.

Q: What is the merger?

A: American National and HomeTown have entered into the merger agreement whereby HomeTown will merge with and into American National, with American National being the surviving corporation. As a result of the merger, HomeTown shareholders will receive American National common stock in exchange for their HomeTown common stock. A copy of the merger agreement is attached to this joint proxy statement/prospectus as Appendix A.

We currently expect to complete the merger early in the second quarter of 2019. If the merger is completed, it is expected that HomeTown Bank, HomeTown's wholly-owned bank subsidiary, will merge with and into American National Bank and Trust Company (American National Bank), American National's wholly-owned bank subsidiary, also early in the second quarter of 2019 (referred to sometimes as the subsidiary bank merger).

Q: What will HomeTown shareholders receive in the merger?

A: In the proposed merger, holders of HomeTown's common stock will receive 0.4150 shares of common stock of American National for each of their shares of HomeTown common stock. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. American National shareholders will continue to own their existing shares, which will not be affected by the merger.

Q: Why am I receiving these materials?

A: American National and HomeTown are each holding a special meeting of shareholders to vote on the proposals necessary to complete the merger. We are sending you these materials to solicit your proxy and help you decide how to vote your shares of American National common stock and HomeTown common stock at the special meetings. American National and HomeTown shareholders will be asked in separate proposals to approve the American National merger proposal and the HomeTown merger proposal, respectively. HomeTown shareholders also will be asked to approve, in a non-binding advisory vote, the compensation proposal.

Q: What do I need to do now to vote my shares?

A:

After carefully reading and considering the information contained in this joint proxy statement/prospectus, please vote your shares as soon as possible so that your shares will be represented at the American National or HomeTown special meeting, as applicable. Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker or other nominee.

Q: How do I vote?

A: **By mail.** You may vote before the American National or HomeTown special meeting by completing, signing, dating and returning the enclosed proxy card in the enclosed postage-paid envelope.

By the Internet or Telephone. If you are a record holder of American National common stock, you can also appoint the proxies to vote your shares for you by going to the Internet website (www.investorvote.com/AMNB) or by calling (800) 652-8683. When you are prompted for your control number, enter the number printed just above your name on the enclosed proxy card, and then follow the instructions provided. You may vote by the Internet or telephone only until 1:00 a.m. Eastern Time on March 19, 2019, which is the day of the American National special meeting.

If you are a record holder of HomeTown common stock, you can also appoint the proxies to vote your shares for you by going to the Internet website (www.proxyvote.com) or by calling (800) 690-6903. When you are prompted for your control number, enter the number printed just above your name on the enclosed proxy card, and then follow the instructions provided. You may vote by the Internet or telephone only until 11:59 p.m. Eastern Time on March 18, 2019, which is the day before the HomeTown special meeting.

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In Person. You may also cast your vote in person at the respective company's special meeting. See below for the date, time and place of the American National and HomeTown special meetings. If your shares are held in street name, through a broker, bank or other nominee, that entity will send you separate instructions describing the procedure for voting your shares. Street name shareholders who wish to vote in person at the special meetings will need to present a proxy from the entity that holds the shares.

Q: If my shares are held in street name by a broker or other nominee, will my broker or nominee vote my shares for me if I do not provide instructions on how to vote my shares?

A: No. Your broker or other nominee does not have authority to vote on the proposals described in this joint proxy statement/prospectus if you do not provide instructions to it on how to vote. Your broker or other nominee will vote your shares held by it in street name with respect to these matters ONLY if you provide instructions to it on how to vote. Please note that you may not vote shares held in street name by returning a proxy card directly to American National or HomeTown or by voting in person at your respective company's special meeting unless you provide a legal proxy, which you must obtain from your broker, bank or other nominee.

We urge you to follow the directions your broker or other nominee provides.

Q: When and where is the American National special meeting of shareholders?

A: The special meeting of American National shareholders will be held at 9:00 a.m. local time, on Tuesday, March 19, 2019 at The Wednesday Club, located at 1002 Main Street, Danville, Virginia.

Q: When and where is the HomeTown special meeting of shareholders?

A: The special meeting of HomeTown shareholders will be held at 2:00 p.m. local time, on Tuesday, March 19, 2019 at Fitzpatrick Hall of The Jefferson Center, located at 541 Luck Avenue, S.W., Roanoke, Virginia.

Q: What vote is required to approve each proposal at the American National special meeting?

A: The American National merger proposal requires the affirmative vote of more than two-thirds of the outstanding shares of American National common stock entitled to vote on the proposal.

The American National adjournment proposal requires the affirmative vote of at least a majority of the shares voted on the proposal, whether or not a quorum is present.

Q: What vote is required to approve each proposal at the HomeTown special meeting?

A: The HomeTown merger proposal requires the affirmative vote of a majority of the outstanding shares of HomeTown common stock entitled to vote on the proposal.

The compensation proposal, to be obtained on a non-binding, advisory basis only, requires the affirmative vote of at least a majority of the shares voted on the proposal.

The HomeTown adjournment proposal requires the affirmative vote of at least a majority of the shares voted on the proposal, whether or not a quorum is present.

Q: What if I do not vote on the matters relating to the merger?

A: **If you are an American National shareholder.** With respect to the American National merger proposal, if you fail to vote or fail to instruct your broker or other nominee how to vote, your failure to vote will have the same effect as a vote against the American National merger proposal. If you respond with an abstain vote, your proxy will have the same effect as a vote against the American National merger proposal. If you are a shareholder of record of common stock and you sign and return your proxy card but do not indicate how you want to vote on the American National merger proposal, your proxy will be counted as a vote in favor of the proposal.

If you are a HomeTown shareholder. With respect to the HomeTown merger proposal, if you fail to vote or fail to instruct your broker or other nominee how to vote, your failure to vote will have the same effect as a vote against the

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HomeTown merger proposal. If you respond with an abstain vote, your proxy will have the same effect as a vote against the HomeTown merger proposal. If you are a shareholder of record of common stock and you sign and return your proxy card but do not indicate how you want to vote on the HomeTown merger proposal, your proxy will be counted as a vote in favor of the proposal.

Q: May I change my vote after I have delivered my proxy or voting instruction card?

A: Yes. If you are a shareholder of record of common stock, you may change your vote at any time before your proxy is voted at the applicable special meeting. You may do this in any of the following ways:

by sending a notice of revocation to either the American National corporate secretary or the HomeTown corporate secretary, as the case may be;

by sending a completed proxy card bearing a later date than your original proxy card;

by voting via the Internet or telephone any time after delivering your proxy or voting instruction card; or

by attending the American National or HomeTown special meeting and voting in person; your attendance alone will not revoke any proxy.

If you choose either of the first two methods, your notice or new proxy card must be actually received before the voting takes place at the applicable special meeting.

If your shares are held in a stock brokerage account or by a bank or other nominee, you should call your broker or other nominee for additional information.

Q: What are the material U.S. federal income tax consequences of the merger to HomeTown shareholders?

A: The merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). In connection with the filing of the registration statement of which this document forms a part, Gentry Locke has delivered to HomeTown, and Williams Mullen has delivered to American National, their respective opinions that, for U.S. federal income tax purposes, the merger will qualify as a reorganization. Accordingly, a holder of HomeTown common stock generally will not recognize any gain or loss for U.S. federal income tax purposes as a result of the exchange of the holder's shares of HomeTown common stock for shares of American National common stock pursuant to the merger, except with respect to any cash received instead of fractional shares of American National common stock. For greater detail, see Material U.S. Federal Income Tax Consequences beginning on page 88. Tax matters can be complicated and the tax consequences of the merger to you will depend on your particular tax situation. You should consult your tax advisor to determine the specific tax consequences of the merger to you.

Q: Do I have dissenters or appraisal rights?

A: No. Under Virginia law, shareholders of American National and HomeTown are not entitled to exercise dissenters or appraisal rights in connection with the merger.

Q: If I am a HomeTown shareholder with shares represented by stock certificates, should I send in my HomeTown stock certificates now?

A: No. Please do not send your stock certificates with your proxy card. If you are a holder of HomeTown stock, you will receive written instructions from the exchange agent after the merger is completed on how to exchange your HomeTown stock certificates for shares of American National common stock and receive your check in lieu of any fractional shares of American National common stock to which you would otherwise be entitled.

Q: What should I do if I hold my shares of HomeTown common stock in book-entry form?

A: After the completion of the merger, American National will send you instructions on how to exchange your shares of HomeTown common stock held in book-entry form for shares of American National common stock and receive your check in lieu of fractional shares of American National common stock to which you would otherwise be entitled.

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Q: What happens if I sell or transfer ownership of shares of HomeTown common stock after the record date for the HomeTown special meeting?