

---

---

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

---

**FORM 8-K**

---

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 14, 2018

---

**Markel Corporation**

(Exact name of registrant as specified in its charter)

---

Virginia  
(State or other jurisdiction  
of incorporation)

001-15811  
(Commission  
File Number)

54-1959284  
(IRS Employer  
Identification No.)

4521 Highwoods Parkway  
Glen Allen, Virginia  
(Address of principal executive offices)

23060-6148  
(Zip Code)

Registrant's telephone number, including area code: (804) 747-0136

Not Applicable

(Former name or former address, if changed since last report)

---

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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 13(a) of the Exchange Act.

---

---

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

On May 14, 2018, upon the recommendation of the Compensation Committee, the Board of Directors of Markel Corporation approved the amended and restated Markel Corporation Executive Bonus Plan (the 2018 Plan). The Executive Bonus Plan previously had included provisions so that payments under the plan could qualify for the performance-based exception to the deduction limit under section 162(m) of the Internal Revenue Code of 1986, as amended, including, among others, provisions that:

- limited the aggregate maximum amount payable under the plan to any participant for any plan year to the lesser of 250 percent of the participant's base salary as in effect at the end of the plan year or \$3,500,000;
- restricted the Committee from decreasing performance criteria after an award has been made;
- restricted the Committee from increasing the amount of an award that would otherwise be payable upon achievement of the performance criteria;
- required the Committee to certify in writing that performance criteria have been met;
- required that all Committee members be "outside directors" as described in Code section 162(m); and
- required that the plan be submitted to the Company's shareholders for approval.

The Tax Cuts and Jobs Act, enacted in December 2017, eliminated the performance-based exception to the section 162(m) deduction limit. As a result, the 2018 Plan eliminates the plan provisions relating to that exception that are no longer required.

In addition, the 2018 Plan expands the performance criteria available for use under the plan to include total shareholder return and any other performance criteria that the Compensation Committee may select in its discretion.

The Company cannot currently determine the benefits, if any, to be paid under the 2018 Plan in the future to the officers of the Company, including the Company's principal executive officers, principal financial officer and other named executive officers. This brief description of the changes included in the 2018 Plan is qualified in its entirety by reference to the full text of the plan, a copy of which is filed herewith as Exhibit 10.1 and incorporated herein by reference.

**Item 5.03            Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

On May 14, 2018, the Board amended and restated the Company's Bylaws, effective as of May 14, 2018 (as amended and restated, the Amended and Restated Bylaws), to implement proxy access for the nomination of directors.

Article I, Section 12 of the Amended and Restated Bylaws now permits a shareholder, or a group of up to 20 shareholders, owning 3% or more of the outstanding shares of the Company's stock eligible to vote in the election of directors continuously for at least three years (for each such shareholder), to nominate and include in the Company's annual meeting proxy materials director candidates to occupy up to two or 20% of the Board seats (whichever is greater), provided that the shareholder or group of shareholders satisfies the requirements under Article I, Section 12 of the Amended and Restated Bylaws.

The Amended and Restated Bylaws also make clarifications, updates and other, non-substantive changes in certain other provisions, including the advance notice provisions in Article I, Section 11.

This brief description of the amendments to the Company's Bylaws is qualified in its entirety by reference to the full text of the Amended and Restated Bylaws, a copy of which is filed herewith as Exhibit 3.1 and incorporated herein by reference.

**Item 5.07 Submission of Matters to a Vote of Security Holders.**

The Annual Meeting of Shareholders of Markel Corporation was held on May 14, 2018. At the annual meeting, shareholders (i) elected directors to serve until the 2019 Annual Meeting of Shareholders or until their respective successors are elected, (ii) approved an advisory vote on executive compensation and (iii) ratified the selection of KPMG LLP by the Audit Committee of the Board of Directors as the Company's independent registered public accounting firm for the year ending December 31, 2018.

The results of the meeting were as follows:

Election of Directors

Director	For	Against	Abstain	Broker Non-Votes
J. Alfred Broaddus, Jr.	10,050,028	465,134	10,971	1,881,765
K. Bruce Connell	10,405,069	112,251	8,813	1,881,765
Thomas S. Gayner	9,737,295	775,233	13,605	1,881,765
Stewart M. Kasen	9,932,815	582,408	10,910	1,881,765
Alan I. Kirshner	9,668,462	850,461	7,210	1,881,765
Diane Leopold	10,472,718	46,937	6,478	1,881,765
Lemuel E. Lewis	10,132,263	384,300	9,570	1,881,765
Anthony F. Markel	9,712,008	808,212	5,913	1,881,765
Steven A. Markel	9,434,157	1,086,058	5,918	1,881,765
Darrell D. Martin	9,470,312	1,046,151	9,670	1,881,765
Michael O'Reilly	10,326,657	190,480	8,996	1,881,765
Michael J. Schewel	9,649,004	866,249	10,880	1,881,765
Richard R. Whitt, III	9,999,808	520,471	5,854	1,881,765
Debra J. Wilson	10,405,932	109,785	10,416	1,881,765

Advisory Vote on Approval of Executive Compensation

For	Against	Abstain	Broker Non-Votes
10,426,032	81,372	18,729	1,881,765

Ratification of Selection of Independent Registered Public Accounting Firm

For	Against	Abstain	Broker Non-Votes
12,175,904	221,525	10,469	Not applicable

**Item 8.01 Other Events.**

On May 14, 2018, the Board approved a new share repurchase program with immediate effect authorizing the Company to repurchase up to \$300 million of the Company's outstanding common stock. This program effectively terminates and replaces a similar program authorized in November 2013 under which approximately \$176 million of the Company's common stock has been repurchased. Under the new program, as under the previous program, the Company may repurchase outstanding shares of the Company's common stock from time to time in privately negotiated or open market transactions, including under plans complying with Rule 10b5-1 under the Securities Exchange Act of 1934. The new program has no expiration date but may be terminated by the Board at any time.

**Item 9.01 Financial Statements and Exhibits.**

*(d) Exhibits*

- 3.1 [Bylaws, as amended and restated May 14, 2018](#)
- 10.1 [Markel Corporation Executive Bonus Plan, as amended and restated May 14, 2018](#)



# MARKEL CORPORATION

## BYLAWS

(as amended and restated ~~November 19, 2015~~[14, 2018](#))

### ARTICLE I

#### MEETINGS OF SHAREHOLDERS

Section 1. Place and Time of Meetings. Meetings of shareholders shall be held at such place, either within or without the Commonwealth of Virginia, and at such time, as may be provided in the notice of the meeting and approved by the Chairman of the Board or the Board of Directors.

Section 2. Annual Meeting. The annual meeting of shareholders shall be held in May of each year on the date designated by the Board of Directors and specified in the notice of the meeting.

Section 3. Substitute Annual Meeting. If an annual meeting of shareholders is not held within the time period designated in these Bylaws, a substitute annual meeting [of shareholders](#) shall be called as promptly as is practicable thereafter by the Chairman of the Board or the Board of Directors. Any meeting so called shall be designated and treated for all purposes as the annual meeting [of shareholders](#).

Section 4. Special Meetings. Special meetings of the shareholders may be called by the Chairman of the Board or the Board of Directors. Only business within the purpose or purposes described in the notice for a special meeting of shareholders may be conducted at the meeting.

Section 5. Fixing Record Date. The Board of Directors may fix in advance a date to make a determination of shareholders entitled to notice or to vote at any meeting of shareholders, to receive any dividend, or for any other purpose, such date to be not more than 70 days before the meeting or action requiring a determination of shareholders. If no such date is set with respect to any meeting of shareholders, the day before the effective date of the notice of the meeting shall be the record date for such determination of shareholders. When a determination of shareholders entitled to notice of or to vote at any meeting of shareholders (regardless of who may have called the meeting) has been made, such determination shall be effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

Section 6. Notice of Meetings. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given by or at the direction of the persons calling the meeting not less than ten nor more than 60 days before the date of the meeting (except as a different time is specified by law) to each shareholder of record entitled to vote at such meeting and to such nonvoting shareholders as may be required by law. If mailed, such notice shall be deemed to be given when deposited in the United States mail with postage thereon prepaid, addressed to the shareholder at his address as it appears on the share transfer books of

the Corporation. If an annual or special meeting is adjourned to a different date, time or place, notice need not be given if the new date, time or place is announced at the meeting before adjournment; however, if a new record date for an adjourned meeting is fixed, notice of the adjourned meeting shall be given to persons who are shareholders as of the new record date unless a court provides otherwise. Notwithstanding the foregoing, no notice of a shareholders' meeting need be given to a shareholder if (i) an annual report and proxy statements for two consecutive annual meetings of shareholders or (ii) all, and at least two, checks in payment of dividends or interest on securities during a 12-month period, have been sent by first-class United States mail, with postage thereon prepaid, addressed to the shareholder at his address as it appears on the share transfer books of the Corporation, and returned undeliverable. The obligation of the Corporation to give notice of shareholders' meetings to any such shareholder shall be reinstated once the Corporation has received a new address for such shareholder for entry on its share transfer books.

Section 7. Waiver of Notice; Attendance at Meeting. A shareholder may waive any notice required by law, the Articles of Incorporation or these Bylaws before or after the date and time of the meeting that is the subject of such notice. The waiver shall be in writing, be signed by the shareholder entitled to the notice, and be delivered to the Secretary of the Corporation for inclusion in the minutes or filing with the corporate records. A shareholder's attendance at a meeting (i) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting, and (ii) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

Section 8. Quorum and Voting Requirements. Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. Unless otherwise required by law, by Article II, Section 3 of these Bylaws, or by the Articles of Incorporation, a majority of the votes entitled to be cast on a matter by a voting group constitutes a quorum of that voting group for action on that matter. Once a share is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or shall be set for that adjourned meeting. If a quorum exists, action on a matter, other than the election of directors, by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law. Less than a quorum may adjourn a meeting.

Section 9. Proxies. A shareholder may vote his shares in person or by proxy. A shareholder or the shareholder's agent or attorney-in-fact may appoint a proxy to vote or otherwise act for him by signing an appointment form or by an electronic transmission meeting the requirements of the Virginia Stock Corporation Act. An appointment of a proxy is effective when received by the Secretary or other officer or agent authorized to tabulate votes and is valid for 11 months unless a longer period is expressly provided in the appointment form. An appointment of a proxy is revocable by the shareholder unless the

appointment form or the electronic transmission states that it is irrevocable and the appointment is coupled with an interest.

The death or incapacity of the shareholder appointing a proxy does not affect the right of the Corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other officer or agent authorized to tabulate votes before the proxy exercises his authority under the appointment. An irrevocable appointment is revoked when the interest with which it is coupled is extinguished. A transferee for value of shares subject to an irrevocable appointment may revoke the appointment if he did not know of its existence when he acquired the shares and the existence of the irrevocable appointment was not noted conspicuously on the certificate representing the shares or on the information statement for shares without certificates. Subject to any legal limitations on the right of a corporation to accept the vote or other action of a proxy and to any express limitation on the proxy's authority stated in the appointment form or electronic transmission, the Corporation is entitled to accept the proxy's vote or other action as that of the shareholder making the appointment. Any fiduciary who is entitled to vote any shares may vote such shares by proxy.

Section 10. Participation in Meetings. Shareholders may participate in meetings by use of any means of communication by which all shareholders participating may simultaneously hear each other during the meeting. A shareholder participating in a meeting by this means is deemed to be present in person at the meeting.

Section 11. Conduct of Business.

(a) To be properly brought before an annual meeting of shareholders, business (other than nomination of directors) must be (x) specified in the notice of meeting, (y) brought before the meeting by or at the direction of the Board of Directors, or (z) brought before the meeting by a shareholder in accordance with this [Article I](#), Section 11. Any shareholder wishing to bring a matter before the annual meeting [of shareholders](#) must give notice in writing to the Secretary of the Corporation, by registered or certified United States mail, delivered not later than 90 days before the date of the anniversary of the immediately preceding annual meeting [of shareholders](#). The notice must set forth as to each matter to be brought before the meeting (i) a brief description of the business desired to be brought before the meeting, including the complete text of any resolutions to be presented for a vote at the annual meeting [of shareholders](#), (ii) the name and address of record of the shareholder proposing such business, (iii) the class and number of shares of the Corporation that are beneficially owned by such shareholder, and (iv) any material interest of the shareholder in such business. Any matter brought before an annual meeting of shareholders other than in compliance with this [Article I](#), Section 11(a) may be ruled out of order by the chairman of the meeting.

(b) Nominations for the Board of Directors at any meeting of shareholders at which directors are to be elected may be made by the Board of Directors, by a committee appointed by the Board of Directors, or by any shareholder who is a member of a voting group entitled to vote for the election of directors at such meeting and who follows the procedures set forth in this ~~Section 11~~[Article I, Section 11\(b\)](#), or by an [Eligible Shareholder \(as defined below\) whose Shareholder Nominee \(as defined below\) is included in the](#)

Corporation's proxy materials for the relevant annual meeting of shareholders. Any shareholder wishing to make a nomination must give notice in writing of such proposed nomination to the Secretary of the Corporation, by registered or certified United States mail, postage prepaid, delivered not less than 60 days in advance of the meeting (except that, if public disclosure of the meeting is made less than 70 days before the meeting, such notice must be delivered within ten days following such public disclosure). The notice must set forth (i) the name and address of record of the shareholder making the nomination and the name and address of the nominee(s), (ii) the class and number of shares of the Corporation that are beneficially owned by such shareholder, (iii) a description of all arrangements or understandings between or among such shareholder and each nominee and any other person or persons (naming such person or persons) in accordance with which the nomination is being made by the shareholder, (iv) information regarding each nominee equivalent to that required to be included in a proxy statement filed under the rules of the U.S. Securities and Exchange Commission (the "SEC") if the nominee had been nominated by the Board of Directors, and (v) a consent of the nominee to serve as a director of the Corporation, if elected. Any nomination brought before a meeting of shareholders other than in compliance with this Article I, Section 11(b) may be ruled out of order by the chairman of the meeting.

Section 12. Proxy Access for Board of Director Nominations.

(a) The Corporation shall include in its proxy statement for any annual meeting of shareholders the name, together with the Required Information (as defined below), of any person nominated for election to the Board of Directors (a "Shareholder Nominee") identified in a timely notice (the "Notice") that satisfies this Article I, Section 12 delivered to the principal office of the Corporation, addressed to the Secretary, by one or more shareholders who at the time the request is delivered satisfy the ownership and other requirements of Article I, Section 11(b) and this Article I, Section 12 (such shareholder or shareholders, and any director, executive officer or general partner of such shareholder or any such affiliate or person with which such shareholder is acting in concert of such shareholder or shareholders, the "Eligible Shareholder"), and who expressly elects to have its nominee included in the Corporation's proxy materials pursuant to this Article I, Section 12. To be timely for purposes of this Article I, Section 12, the Notice must be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the 120<sup>th</sup> day nor earlier than the close of business on the 150<sup>th</sup> day prior to the anniversary date of the immediately preceding mailing date for the notice of annual meeting of shareholders.

(b) For purposes of this Article I, Section 12, the "Required Information" that the Corporation will include in its proxy statement is (i) the information concerning the Shareholder Nominee and the Eligible Shareholder that, as determined by the Corporation, is required to be disclosed in a proxy statement filed pursuant to the proxy rules of the SEC, (ii) the Nominee Statement (as defined below) for each Shareholder Nominee to be included in the proxy statement of the Corporation, and (iii) if the Eligible Shareholder so elects, a Shareholder Statement (as defined below).

(c) The number of Shareholder Nominees (including any Shareholder Nominee elected to the Board of Directors at either of the two preceding annual meetings

of shareholders who is being re-nominated by the Board of Directors to stand for reelection and any Shareholder Nominees submitted by an Eligible Shareholder for inclusion in the Corporation's proxy materials pursuant to this Article I, Section 12 but either are subsequently withdrawn or that the Board of Directors or any committee designated by the Board of Directors decides to nominate for election to the Board of Directors (a "Board Nominee")) appearing in the Corporation's proxy materials with respect to a meeting of shareholders shall not exceed the greater of (i) two and (ii) 20% of the number of directors in office as of the last day on which the Notice may be delivered, or if such amount is not a whole number, the closest whole number below 20%; provided, however, that the number of Shareholder Nominees appearing in the Corporation's proxy materials pursuant to this Article I, Section 12 may be reduced, in the sole discretion of the Board of Directors, by the number of director candidates for which the Secretary of the Corporation receives a notice that a shareholder has nominated a director candidate for election to the Board of Directors pursuant to the requirements of Article I, Section 11(b) and does not expressly elect at the time of providing the notice to have its nominee included in the Corporation's proxy materials pursuant to this Article I, Section 12. In the event that the number of Shareholder Nominees submitted by Eligible Shareholders pursuant to this Article I, Section 12 exceeds this maximum number, each Eligible Shareholder shall select one Shareholder Nominee for inclusion in the Corporation's proxy materials until the maximum number is reached, going in the order of the amount (largest to smallest) of shares of the Corporation's stock eligible to vote in the election of directors each Eligible Shareholder disclosed as owned in the Notice. If the maximum number is not reached after each Eligible Shareholder has selected one Shareholder Nominee, this selection process shall continue as many times as necessary, following the same order each time, until the maximum number is reached.

(d) An Eligible Shareholder must have owned (as defined below) 3% or more of the outstanding shares of the Corporation's stock eligible to vote in the election of directors continuously for at least three years (the "Required Shares") as of both the date the Notice is delivered to the Corporation and the record date for determining shareholders entitled to vote at the annual meeting of shareholders and must continue to own the Required Shares through the annual meeting of shareholders. For purposes of satisfying the foregoing ownership requirement under this Article I, Section 12, (i) the shares of stock of the Corporation owned by one or more shareholders, or by the person or persons who own shares of the Corporation's stock and on whose behalf any shareholder is acting, may be aggregated, provided that the number of shareholders and other persons whose ownership of shares is aggregated for such purpose shall not exceed 20, and further provided that the group of shareholders shall have provided to the Secretary of the Corporation as a part of providing the Notice a written agreement executed by each of its members designating one of the members as the exclusive member to interact with the Corporation for purposes of this Article I, Section 12 and Article I, Section 11(b) on behalf of all members, and (ii) two or more funds that are (A) under common management and investment control, (B) under common management and funded primarily by the same employer, or (C) a "group of investment companies," as such term is defined in Section 12(d)(1)(G)(ii) of the Investment Company Act of 1940, as amended, shall be treated as one shareholder or beneficial owner. No effect will be given to the Eligible Shareholder's

votes with respect to the election of directors if the Eligible Shareholder does not comply with each of the representations in Article I, Section 12(d)(4) below. Within the time period specified for providing the Notice, an Eligible Shareholder must provide the following information in writing to the Secretary of the Corporation (in addition to the information required to be provided by Article I, Section 11(b)):

(1) one or more written statements from the record holder of the shares (and from each intermediary through which the shares are or have been held during the requisite three-year holding period) verifying that, as of a date within seven calendar days prior to the date the Notice is delivered to or mailed and received by the Corporation, the Eligible Shareholder owns, and has owned continuously for the preceding three years, the Required Shares, and the Eligible Shareholder's agreement to provide, within five business days after the record date for the annual meeting of shareholders, written statements from the record holder and intermediaries verifying the Eligible Shareholder's continuous ownership of the Required Shares through the record date;

(2) the written consent of each Shareholder Nominee to be named in the proxy statement as a nominee and to serve as a director if elected;

(3) a copy of the Schedule 14N that has been filed with the SEC as required by Rule 14a-18 under the Securities Exchange Act of 1934, as amended (the "Exchange Act");

(4) a representation that the Eligible Shareholder:

(i) acquired the Required Shares in the ordinary course of business and not with the intent to change or influence control of the Corporation, and does not presently have such intent;

(ii) has not nominated and will not nominate for election to the Board of Directors at the annual meeting of shareholders any person other than the Shareholder Nominee(s) being nominated pursuant to this Article I, Section 12;

(iii) has not engaged and will not engage in, and has not and will not be, a "participant" in another person's "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the annual meeting of shareholders other than its Shareholder Nominee(s) or a Board Nominee;

(iv) will not distribute to any shareholder any form of proxy for the annual meeting of shareholders other than the form distributed by the Corporation;

(v) will continue to own the Required Shares through the annual meeting of shareholders;  
and

(vi) will provide facts, statements and other information in all communications with the Corporation and its shareholders that are or will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(5) an undertaking that the Eligible Shareholder agrees to:

(i) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Shareholder's communications with the Corporation's shareholders or out of the information that the Eligible Shareholder provided to the Corporation;

(ii) indemnify and hold harmless the Corporation and each of its directors, officers and employees individually against any liability, loss or damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Corporation or any of its directors, officers or employees arising out of any nomination submitted by the Eligible Shareholder pursuant to this Article I, Section 12;

(iii) file with the SEC all soliciting and other materials as required under Article I, Section 12(i);

(iv) comply with all other applicable laws, rules, regulations and listing standards with respect to any solicitation in connection with the annual meeting of shareholders; and

(6) written disclosure of any transactions between the Eligible Shareholder and the Shareholder Nominee or the Board Nominee within the preceding five years.

(e) For purposes of this Article I, Section 12, an Eligible Shareholder shall be deemed to "own" only those outstanding shares of the Corporation's stock as to which a shareholder who is the Eligible Shareholder or is included in the group that constitutes the Eligible Shareholder possesses both (i) the full voting and investment rights pertaining to the shares and (ii) the full economic interest in (including the opportunity for profit and risk of loss on) such shares; provided that the number of shares calculated in accordance with clauses (i) and (ii) shall not include any shares (A) sold by or on behalf of such shareholder in any transaction that has not been settled or closed, (B) borrowed by or on behalf of such shareholder for any purpose or purchased by such shareholder pursuant to an agreement to resell or (C) subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by or on behalf of such shareholder, whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of outstanding shares of the Corporation's stock, in any such case which instrument or agreement has, or is intended to have, the purpose or effect of (x) reducing in any manner, to any extent or at any time in the future, such shareholder's full right to vote or direct the voting of any such shares, and/or (y) hedging, offsetting or altering to any degree gain or loss arising from the full economic ownership of such shares by such shareholder. A shareholder shall "own" shares held in the name of a nominee or other intermediary so long as the shareholder retains the right to instruct how the shares are voted with respect to the election of directors and possesses the full economic interest in the shares. A shareholder's ownership of shares shall be deemed to continue during any period in which the shareholder has delegated any voting power by means of a proxy, power of attorney or other instrument or arrangement that is revocable at any time by the shareholder, provided, that (i) such person revokes such

delegation within five business days of being notified that its Shareholder Nominee will be included in the Corporation's proxy statement for the relevant annual meeting of shareholders and (ii) such person holds the revoked shares through the annual meeting of shareholders. Whether outstanding shares of the Corporation's stock are "owned" for these purposes shall be determined by the Board of Directors, which determination shall be conclusive and binding on the Corporation and its shareholders, including the Eligible Shareholder.

(f) The Eligible Shareholder may provide to the Secretary of the Corporation, within the time period specified for providing the Notice, a written statement for inclusion in the Corporation's proxy statement for the annual meeting of shareholders, not to exceed 500 words, in support of the Shareholder Nominee's candidacy (the "Shareholder Statement"). Notwithstanding anything to the contrary contained in this Article I, Section 12 and Article I, Section 11(b), the Corporation may omit from its proxy materials any information or statement that it believes would violate any applicable law, rule, regulation or listing standard.

(g) The Corporation shall not be required to include, pursuant to this Article I, Section 12, a Shareholder Nominee in its proxy materials:

(1) if the Eligible Shareholder who has nominated such Shareholder Nominee has engaged in or is currently engaged in, or has been, or is a "participant" in another person's, "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the annual meeting of shareholders other than its Shareholder Nominee(s) or a Board Nominee;

(2) who is not independent under the listing standards of the principal exchange upon which the Corporation's stock is traded, any applicable rules of the SEC and any publicly disclosed standards used by the Board of Directors in determining and disclosing the independence of the Corporation's directors, as determined by the Board of Directors;

(3) whose election as a member of the Board of Directors would cause the Corporation to be in violation of these Bylaws, the Corporation's Articles of Incorporation, the listing standards of the principal exchange upon which the Corporation's stock is traded, or any applicable state or federal law, rule or regulation;

(4) who is or has been, within the past three years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914;

(5) who is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in such a criminal proceeding within the past 10 years;

(6) who is subject to any order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act of 1933, as amended;

(7) if such Shareholder Nominee or the applicable Eligible Shareholder shall have provided information to the Corporation in respect of such nomination that was untrue in any material respect or omitted to state a material fact

necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, as determined by the Board of Directors;

(8) if the Eligible Shareholder who has nominated such Shareholder Nominee has filed a Schedule 13D with respect to the Corporation within the past year; or

(9) if the Eligible Shareholder or applicable Shareholder Nominee otherwise breaches any of its or their obligations, agreements or representations under this Article I, Section 12 or Article I, Section 11(b).

(h) Notwithstanding anything to the contrary set forth herein, the chairman of the annual meeting of shareholders shall declare a nomination by an Eligible Shareholder to be invalid, and such nomination shall be disregarded notwithstanding that proxies in respect of such vote may have been received by the Corporation, if the Shareholder Nominee(s) and/or the applicable Eligible Shareholder shall have breached its or their obligations, agreements or representations under this Article I, Section 12 or Article I, Section 11(b), as determined by the Board of Directors or the chairman of the annual meeting of shareholders.

(i) The Eligible Shareholder shall file with the SEC any solicitation communication with the Corporation's shareholders relating to the annual meeting of shareholders at which the Shareholder Nominee will be nominated, regardless of whether any such filing is required under Regulation 14A of the Exchange Act, or whether any exemption from filing is available for such solicitation communication under Regulation 14A of the Exchange Act.

(j) No person may be a member of more than one group of persons constituting an Eligible Shareholder under this Article I, Section 12.

(k) Any Shareholder Nominee who is included in the Corporation's proxy materials for a particular annual meeting of shareholders but either (i) withdraws from or becomes ineligible or unavailable for election at the annual meeting of shareholders, or (ii) does not receive at least 20% of the votes cast in favor of the Shareholder Nominee's election, shall be ineligible to be a Shareholder Nominee pursuant to this Article I, Section 12 for the next two annual meetings of shareholders following the annual meeting of shareholders for which the Shareholder Nominee has been nominated for election.

(l) The Shareholder Nominee must provide to the Secretary of the Corporation, within the time period specified for providing the Notice, a written statement for inclusion in the Corporation's proxy statement for the annual meeting of shareholders (the "Nominee Statement"), disclosing whether or not such Shareholder Nominee is or will become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a Shareholder Nominee or director. Such Nominee Statement must also include a representation that if such Shareholder Nominee is elected as a director of the Corporation, such Shareholder Nominee will not agree or accept any increase in the amount or scope, as applicable, of any such compensation, reimbursement or indemnification and that they would be in

compliance with applicable law and the Corporation's corporate governance guidelines and other policies applicable to directors generally. At the request of the Corporation, the Shareholder Nominee must promptly, but in any event within five business days of such request, submit all completed and signed questionnaires required of the Corporation's directors and officers. The Corporation may request such additional information (i) as may be reasonably necessary to permit the Board of Directors or any committee thereof to determine if a Shareholder Nominee is independent under the listing standards of the principal exchange upon which the Corporation's stock is traded, any applicable rules of the SEC and any publicly disclosed standards used by the Board of Directors in determining and disclosing the independence of the Corporation's directors and otherwise to determine the eligibility of each Shareholder Nominee to service as a director of the Corporation, or (ii) that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of each Shareholder Nominee. Notwithstanding anything to the contrary contained in this Article I, Section 12 and Article I, Section 11(b), the Corporation may omit from its proxy materials any information or statement that it believes would violate any applicable law, rule, regulation or listing standard.

## **ARTICLE II**

### **DIRECTORS**

Section 1. General Powers. The Corporation shall have a Board of Directors. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of, its Board of Directors, subject to any limitation set forth in the Articles of Incorporation.

Section 2. Number. The number of directors of the Corporation shall be not less than three nor more than fifteen, the exact number of directors to be fixed, from time to time, by a resolution of the Board of Directors.

Section 3. Election and Term. Directors shall be elected at each annual meeting of shareholders. Despite the expiration of a director's term, such director shall continue to serve until his successor is elected and qualifies or until there is a decrease in the number of directors. No individual shall be named or elected as a director without his prior consent.

Except as provided in Section 4 of this Article II, each director shall be elected by a majority of votes cast of the voting group or groups entitled to elect such director at any meeting of shareholders for the election of directors at which a quorum is present; provided that if the number of director nominees exceeds the number of directors to be elected by any voting group, the director(s) shall be elected by a plurality of the votes of the shares of such voting group represented at the meeting and entitled to vote on the election of directors.

If an incumbent director is nominated for election and not reelected, the director shall offer his or her resignation promptly to the Board of Directors. Within 60 days following certification of the shareholder vote, the Nominating and Corporate Governance Committee, or other committee responsible for nominating and governance matters, shall recommend to the Board of Directors the action to be taken with respect to such offer of resignation. Within 90 days following certification of the election results, the Board of Directors shall act on the offered resignation. In determining whether or not to accept the

offered resignation, the Board of Directors shall consider any recommendation by the committee, the factors considered by the committee and any additional information and factors that the Board of Directors believes to be relevant. No director who submits his or her resignation under this [Article II, Section 3](#) shall participate in the deliberations or decisions of the committee or the Board of Directors regarding such ~~directors~~director's resignation.

If the submitted resignation is not accepted by the Board of Directors, the Board of Directors shall disclose its reasons for not accepting the resignation, and the director shall continue to serve until the next annual meeting [of shareholders](#) and until his or her successor is duly elected, or his or her earlier resignation or removal. If a director's resignation is accepted by the Board of Directors, or if a nominee for director is not elected by the shareholders, then the Board of Directors, in its sole discretion, may fill any resulting vacancy in accordance with Section 4 of this Article II.

Section 4. Removal; Vacancies. The shareholders may remove any director with or without cause at a meeting called for that purpose. Removal of a director shall be effective only if approved by a majority of the votes entitled to be cast at an election of directors of the voting group or groups by which such director was elected. A vacancy on the Board of Directors, including a vacancy resulting from the removal of a director, or an increase in the number of directors, may be filled only by (i) the shareholders, (ii) the Board of Directors, or (iii) the majority vote of the remaining directors though less than a quorum of the Board of Directors. In the case of the resignation of a director that will become effective at a specified later date, the vacancy may be filled before it occurs but the new director may not take office until the vacancy occurs.

Section 5. Annual and Regular Meetings. Annual meetings of the Board of Directors shall be held on the same day as the annual meeting of shareholders, for the purpose of electing officers and carrying on such other business as may properly come before such meeting. The Board of Directors may also adopt a schedule of additional meetings which shall be considered regular meetings. Regular meetings shall be held at such times and at such places, within or without the Commonwealth of Virginia, as the Chairman of the Board or the Board of Directors shall designate from time to time. If no place is designated, regular meetings shall be held at the principal office of the Corporation.

Section 6. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board or the Board of Directors, and shall be held at such times and at such places, within or without the Commonwealth of Virginia, as the person or persons calling the meetings shall designate. If no such place is designated in the notice of a meeting, it shall be held at the principal office of the Corporation.

Section 7. Notice of Meetings. No notice need be given of regular meetings of the Board of Directors. Notice of special meetings of the Board of Directors shall be given to each director not less than six hours before the meeting by any means permitted under the Virginia Stock Corporation Act. Any such notice may be oral or written and shall include the time and place of the meeting.

Section 8. Waiver of Notice. A director may waive any notice required by law, the Articles of Incorporation, or these Bylaws before or after the date and time stated in

the notice and such waiver shall be equivalent to the giving of such notice. Except as provided in the next sentence of this [Article II](#), Section 8, the waiver shall be in writing, signed by the director entitled to the notice, and filed with the minutes or corporate records. A director's attendance at or participation in a meeting waives any required notice to him of the meeting unless the director at the beginning of the meeting or promptly upon his arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 9. Quorum; Voting. A majority of the number of directors prescribed in accordance with these Bylaws, or if no number has been prescribed, the number of directors in office immediately before the meeting begins, shall constitute a quorum for the transaction of business at a meeting of the Board of Directors. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless (i) he objects at the beginning of the meeting, or promptly upon his arrival, to holding it or transacting specified business at the meeting, or (ii) he votes against, or abstains from, the action taken.

Section 10. Telephonic Meetings. The Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 11. Action Without Meeting. Action required or permitted to be taken at a Board of Directors' meeting may be taken without a meeting if the action is taken by all members of the Board. The action shall be evidenced by one or more written consents stating the action taken, signed by each director either before or after the action taken, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this [Article II](#), Section 11 shall be effective when the last director signs the consent unless the consent specifies a different effective date and states the date of execution by each director, in which event it shall be effective according to the terms of the consent. A written consent and the signing thereof may be accomplished by one or more electronic transmissions.

Section 12. Compensation. Unless the Articles of Incorporation provide otherwise, the Board of Directors may fix the compensation of directors for their services as directors and may provide for the payment of all expenses incurred by directors in attending meetings of the Board of Directors.

### **ARTICLE III**

#### **COMMITTEES OF DIRECTORS**

Section 1. Committees. The Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee shall have two or more members who serve at the pleasure of the Board of Directors. The

creation of a committee and appointment of members to it shall be approved by the number of directors required to take action under Section 9 of Article II of these Bylaws.

Section 2. Authority of Committees. To the extent specified by the Board of Directors, each committee may exercise the authority of the Board of Directors under Section 1 of Article II of these Bylaws and applicable law, except that a committee may not (i) approve or recommend to shareholders action that is required by law to be approved by shareholders; (ii) fill vacancies on the Board of Directors or on any of its committees; (iii) amend the Articles of Incorporation; (iv) adopt, amend, or repeal these Bylaws; (v) approve a plan of merger not requiring shareholder approval; (vi) authorize or approve a distribution, except according to a general formula or method prescribed by the Board of Directors; or (vii) authorize or approve the issuance or sale or contract for sale of shares, or determine the designation and relative rights, preferences, and limitations of a class or series of shares, except that the Board of Directors may authorize a committee, or a senior executive officer of the Corporation, to do so within limits specifically prescribed by the Board of Directors.

Section 3. Committee Meetings; Miscellaneous. The provisions of Article II of these Bylaws relating to meetings, notice and waiver of notice, quorum and voting, and consents shall apply to committees of directors and their members.

## ARTICLE IV

### OFFICERS

Section 1. Officers. The officers of the Corporation shall be a Chairman of the Board, one or more Chief Executive Officers, a Secretary, a Treasurer and a Controller, and in the discretion of the Board of Directors, one or more Vice Chairmen of the Board of Directors, one or more Presidents, one or more Vice Presidents and other officers and assistant officers as may be deemed necessary or advisable to carry on the business of the Corporation. In addition, the Board of Directors shall designate from among the officers of the Corporation a chief financial officer and a chief accounting officer (who may be the same person). Any two or more offices may be held by the same person.

Section 2. Election; Term. Officers shall be elected at the annual meeting of the Board of Directors and may be elected at such other time or times as the Board of Directors shall determine. They shall hold office, unless removed, until the next annual meeting of the Board of Directors or until their successors are elected. Any officer may resign at any time upon written notice to the Board of Directors, and such resignation is effective when notice is delivered unless the notice specifies a later effective date.

Section 3. Removal of Officers. The Board of Directors may remove any officer or assistant officer at any time, with or without cause.

Section 4. Chairman of the Board. The Chairman of the Board shall preside as Chairman at all meetings of the shareholders and directors and shall perform such duties, and shall have such authority, as may be lawfully required of, or conferred upon, him by the Board of Directors.

Section 5. Chief Executive Officer. The Chief Executive Officer(s) shall be the chief executive officer(s) of the Corporation and shall have general supervision over, responsibility for, and control of the other officers, agents and employees of the Corporation and shall perform such duties, and shall have such authority, as may be lawfully required of, or conferred upon, him by the Board of Directors.

Section 6. Vice Chairman of the Board of Directors. A Vice Chairman of the Board shall, in the absence of the Chairman of the Board, preside as Chairman at all meetings of the shareholders and directors and shall perform such duties, and shall have such authority, as may be lawfully required of, or conferred upon, him by the Board of Directors.

Section 7. President. Each President shall perform such duties, and shall have such authority, as may lawfully be required of, or conferred upon, him by the Chairman of the Board, a Chief Executive Officer, a Vice Chairman of the Board of Directors or the Board of Directors.

Section 8. Vice Presidents. Each Vice President (including any Executive Vice President or Senior Vice President) shall perform such duties, and shall have such authority, as may lawfully be required of, or conferred upon, him by the Chairman of the Board, a Chief Executive Officer, a Vice Chairman of the Board of Directors, a President or the Board of Directors.

Section 9. Secretary. The Secretary shall, as secretary of the meetings, record all proceedings at shareholders' meetings and directors' meetings in a book or books kept for that purpose. In addition, the Secretary shall maintain or cause to be maintained the record of shareholders of the Corporation, giving the names and addresses of all shareholders and the numbers, classes and series of the shares held by each and the share transfer books.

Section 10. Treasurer. The Treasurer shall have the custody of all moneys and securities of the Corporation; he shall deposit the same in the name and to the credit of the Corporation in such depositories as may be designated by, or in accordance with action of, the Board of Directors and disburse the funds of the Corporation as may be required.

Section 11. Controller. The Controller shall cause to be kept full and accurate books and accounts of all assets, liabilities and transactions of the Corporation and prepare, or cause to be prepared, statements of the financial condition of the Corporation and proper profit and loss statements covering the operations of the Corporation and such other and additional financial statements, if any, as required by management of the Corporation or the Board of Directors.

Section 12. Delegation of Power. During the absence, disqualification or inability to act of any of the officers of the Corporation, other than the Chairman or Vice Chairman of the Board of Directors, the Chairman of the Board by written order or the Board of Directors by resolution may delegate the powers of such officer to any other officer or employee of the Corporation.

## ARTICLE V

### SHARE CERTIFICATES

Section 1. Form. Shares of the Corporation may, but need not, be represented by certificates. The Board of Directors may authorize the issue of some or all of the shares of the Corporation without certificates. Any such authorization will not affect shares already represented by certificates until they are surrendered to the Corporation. The rights and obligations of shareholders shall be identical whether or not their shares are represented by certificates. Subject to the provisions of Section 2 of this Article V, certificates shall be signed by any two of the Chairman of the Board, Chief Executive Officer, Vice Chairman of the Board, President, Vice President or Secretary of the Corporation. Certificates may (but need not) be sealed with the seal of the Corporation or a facsimile thereof.

Section 2. Signatures. The signatures of the officers upon a share certificate issued by the Corporation may be facsimiles. If any officer who has signed, or whose facsimile signature has been placed upon a share certificate, shall have ceased to be such officer before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer at the date of its issue.

Section 3. Transfer. The Board of Directors shall have power and authority to make rules and regulations concerning the issue, registration and transfer of shares of the Corporation.

Section 4. Restrictions on Transfer. A restriction on the transfer or registration of shares is valid and enforceable against the holder or a transferee of the holder if the restriction is lawful and its existence is noted conspicuously on the front or back of the certificate representing the shares or in an information statement with respect to the shares.

Section 5. Lost or Destroyed Share Certificates. The Corporation may issue a new share certificate in the place of any certificate theretofore issued by it which is alleged to have been lost or destroyed and may require the owner of such certificate, or his legal representative, to give the Corporation a bond, with or without surety, or such other agreement, undertaking or security as the Board of Directors shall determine is appropriate, to indemnify the Corporation against any claim that may be made against it on account of the alleged loss or destruction or the issuance of any such new certificate.

## ARTICLE VI

### EXCLUSIVE FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, the United States District Court for the Eastern District of Virginia, ~~Fairfax~~[Alexandria](#) Division, or in the event that court lacks jurisdiction to hear such action, the Circuit Court of the County of Fairfax, Virginia, shall be the sole and exclusive forum of (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action for breach of duty to the Corporation or the Corporation's shareholders by any current or former officer or other employee or agent or director of the Corporation, (iii) any action against the Corporation or any current or former officer or other employee or agent or director of the Corporation arising pursuant to any provision of the Virginia Stock Corporation Act (as it

may be amended from time to time) or the Articles of Incorporation or these Bylaws (as either may be amended from time to time), or (iv) any action against the Corporation or any current or former officer or other employee or agent or director of the Corporation governed by the internal affairs doctrine.

## **ARTICLE VII**

### **SEVERABILITY**

If any provision of these Bylaws shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of these Bylaws (including, without limitation, each portion of any sentence of these Bylaws containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities or circumstances shall not in any way be affected or impaired thereby.

## **ARTICLE VIII**

### **MISCELLANEOUS PROVISIONS**

Section 1. Corporate Seal. The corporate seal of the Corporation shall be circular and shall have inscribed thereon, within and around the circumference, "MARKEL CORPORATION". In the center shall be the word "SEAL".

Section 2. Fiscal Year. The fiscal year of the Corporation shall be determined in the discretion of the Board of Directors, but in the absence of any such determination it shall be the calendar year.

Section 3. Amendments. Except as otherwise provided by law, these Bylaws may be amended or repealed, and new Bylaws may be made at any regular or special meeting of the Board of Directors. Bylaws made by the Board of Directors may be repealed or changed and new Bylaws may be made by the shareholders, and the shareholders may prescribe that any Bylaw made by them shall not be altered, amended or repealed by the Board of Directors.

MARKEL CORPORATION  
EXECUTIVE BONUS PLAN

~~Effective February 23, 2015~~  
As amended and restated effective May 14, 2018

1. Purpose. The purpose of the Markel Corporation Executive Bonus Plan (the “Plan”) is to provide a performance-based incentive for executive officers who are in a position to contribute materially to the success of the Company and its Subsidiaries.

2. Definitions.

(a) “Award” means an award made pursuant to the Plan.

(b) “Award Agreement” means the agreement entered into between the Company and a Participant, setting forth the terms and conditions applicable to an Award granted to the Participant. An Award Agreement may be provided in electronic format.

(c) “Board” means the Board of Directors of the Company.

(d) “Code” means the Internal Revenue Code of 1986, as amended.

~~(e) “Code section 162(m) Award” means an Award intended to satisfy the requirements of Code section 162(m) and designated as such in an Award Agreement.~~

~~(f)~~ “Committee” means the committee appointed by the Board as described under Section 5.

~~(g)~~ “Company” means Markel Corporation, a Virginia corporation.

~~(h) “Covered Employee” means a covered employee within the meaning of Code section 162(m)(3).~~

~~(i)~~ “Executive Employee” means all executive officers (as defined in Rule 3b-7 under the Securities Exchange Act of 1934, as amended) of the Company (or any Parent or Subsidiary of the Company, whether now existing or hereafter created or acquired).

~~(j)~~ “Parent” means, with respect to any corporation, a parent of that corporation within the meaning of Code section 424(e).

~~(k)~~ “Participant” means an Executive Employee selected from time to time by the Committee to participate in the Plan.

~~(l)~~ “Performance Award” means an award based on Performance Criteria and the percentage(s), as set forth in an award schedule, that will, when multiplied by a Participant’s base salary, determine the amount of the Participant’s Award.

~~(m)~~ “Performance Criteria” means the criteria selected by the Committee to measure performance for a Plan Year or Plan Years based on any of the following: (i) growth in book value; (ii) total shareholder return; (iii) underwriting loss ratio; ~~(iiiiv)~~ underwriting combined ratio; ~~(ivv)~~ expense ratio; ~~(vvi)~~ revenue growth; ~~(v+vii)~~ comprehensive income; ~~and (viii)(viii)~~ earnings before interest, taxes, depreciation and amortization (EBITDA) for any of the Company’s non-insurance Subsidiaries, divisions or business units; or (ix) any other performance criteria that the Committee may select in its discretion. Book value or any other Performance Criteria for purposes of a Performance Award may be increased or decreased by the Committee to reflect transactions not in the ordinary course which may affect ~~book values~~ such Performance Criteria, including but not limited to, share issuances or conversions, share repurchases, dividends, distributions or other transactions affecting ~~book values~~ such Performance Criteria.

~~(n)~~ “Plan Year” means the fiscal year of the Company.

~~(o)~~ “Subsidiary” means, with respect to any corporation, a subsidiary of that corporation within the meaning of Code section 424(f).

3. Eligibility. All present and future Executive Employees shall be eligible to receive Awards under the Plan. The Committee shall have the power and complete discretion to select eligible Executive Employees to receive Awards and to determine for each Participant the terms and conditions and the amount of each Award.

4. Awards.

(a) Each Performance Award shall be evidenced by an Award Agreement setting forth the Performance Criteria, the scale of possible payments based on achievement of that criteria, the maximum bonus payable and such other terms and conditions applicable to the Award, as determined by the Committee, that are not inconsistent with the terms of the Plan. ~~Anything else in this Plan to the contrary notwithstanding, the aggregate maximum amount payable under the Plan to any Participant for any Plan Year shall be equal to the lesser of 250 percent of the Participant’s base salary as in effect at the end of such Plan Year or \$3,500,000.~~ In the event of any conflict between an Award Agreement and the Plan, the terms of the Plan shall govern.

(b) The Committee may vary the Performance Criteria, and Performance Awards, from Participant to Participant, Award to Award and Plan Year to Plan Year. ~~The Committee may increase, but not decrease, any Performance Criteria after an Award has been made.~~

(c) All determinations regarding the achievement of any Performance Criteria will be made by the Committee; ~~provided, however, that the Committee may not increase the amount of the Award that would otherwise be payable upon achievement of the Performance Criteria.~~ All calculations of actual Awards shall be made by the Committee.

(d) Awards will be paid in a lump-sum cash payment as soon as practicable (and in any case no later than two and one-half months) after the close of the Plan Year for which they are earned; ~~provided, however, that no Awards shall be paid except to the extent that the Committee has certified in writing that the Performance Criteria have been met.~~ Unless otherwise provided in the Award Agreement or by the Committee in its discretion, a Participant must remain employed with the Company and its Subsidiaries through the end of the Plan Year to be entitled to any payment under an Award. Notwithstanding the

foregoing provisions of this Section 4(d), the Committee shall have the right to allow Participants to elect to defer the payment of Awards subject to the terms and conditions of Code section 409A and such other terms and conditions as the Committee may determine and as are consistent therewith. If, pursuant to the preceding sentence, a Participant is allowed to elect to defer the payment of an Award, such election must be made at least six months prior to the end of the service period on which the Award is based; provided that, if such service period is less than twelve months, such election must be made prior to the start of the service period.

(e) Whenever payments under the Plan are to be made, the Company and/or the Subsidiary will withhold therefrom an amount sufficient to satisfy any applicable governmental withholding tax requirements related thereto.

(f) Nothing contained in the Plan will be deemed in any way to limit or restrict the Company, its Subsidiaries, or the Committee from making any award or payment to any person under any other plan, arrangement or understanding, whether now existing or hereafter in effect.

5. Administration. The Plan shall be administered by a committee, which shall be appointed by the Board, consisting of not less than two members of the Board. Subject to paragraph (d) below, the Committee shall be the Compensation Committee unless the Board shall appoint another Committee to administer the Plan. The Committee shall have general authority to impose any limitation or condition upon an Award the Committee deems appropriate to achieve the objectives of the Award and the Plan and, in addition, and without limitation and in addition to powers set forth elsewhere in the Plan, shall have the following specific authority:

(a) The Committee shall have the power and complete discretion to determine (i) which Executive Employees shall receive an Award and the nature of the Award, (ii) the amount of each Award, (iii) the time or times when an Award shall be granted, (iv) whether a disability exists, (v) the terms and conditions applicable to Awards, and (vi) any additional requirements relating to Awards that the Committee deems appropriate.

(b) The Committee may adopt rules and regulations for carrying out the Plan. The interpretation and construction of any provision of the Plan by the Committee shall be final and conclusive. The Committee may consult with counsel, who may be counsel to the Company, and shall not incur any liability for any action taken in good faith in reliance upon the advice of counsel.

(c) Unless otherwise provided in the Committee's charter, a majority of the members of the Committee shall constitute a quorum, and all actions of the Committee shall be taken by a majority of the members present. Any action may be taken by a written instrument signed by all of the members, and any action so taken shall be fully effective as if it had been taken at a meeting.

~~(d) All members of the Committee must be "outside directors" as described in Code section 162(m).~~

~~(ed)~~ The Board from time to time may appoint members previously appointed and may fill vacancies, however caused, in the Committee.

~~(f) As to any Code section 162(m) Awards, it is the intent of the Company that this Plan and any Code section 162(m) Awards hereunder satisfy, and be interpreted in a manner that satisfy, the applicable requirements of Code section 162(m). If any provision of this Plan or if any Code section 162(m) Award would otherwise conflict with the intent expressed in this section 5(f), that provision to the extent possible shall be interpreted so as to avoid such conflict. To the extent of any remaining irreconcilable conflict with such intent, such provision shall be deemed void as applicable to Covered Employees. Nothing herein shall be interpreted to preclude a Participant who is or may be a Covered Employee from receiving an Award that is not a Code section 162(m) Award.~~

6. Nontransferability of Awards. An Award shall not be assignable or transferable by the Participant except by will or by the laws of descent and distribution.

7. Termination, Modification, Change. The Plan shall continue in effect unless and until terminated by the Board. The Board may terminate the Plan at any time and may amend the Plan at any time and in such respects as it shall deem advisable; provided that, ~~(i) if and to the extent required by the Code, no change shall be made that changes the Performance Criteria, or materially increases the maximum potential benefits for Participants under the Plan, unless such change is authorized by the shareholders of the Company; and (ii)~~ no change shall be made that accelerates the timing or payment of any Award under this Plan which is determined to constitute nonqualified deferred compensation within the meaning of Code section 409A. Notwithstanding the foregoing, the Board may unilaterally amend the Plan and Awards as it deems appropriate to cause Awards to meet the requirements of ~~Code section 162(m)~~ or Code section 409A, and regulations in each case thereunder. Except as provided in the preceding sentence, a termination or amendment of the Plan shall not, without the consent of the Participant, adversely affect a Participant's rights under an Award previously granted to him.

8. Liability of Company. Any liability of the Company or a Subsidiary to any Participant with respect to an Award shall be based solely upon contractual obligations created by the Plan and the Award Agreement. Neither the Company nor a Subsidiary, nor any member of the Board or of the Committee, nor any other person participating in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken or not taken in good faith under the Plan. Status as an eligible Executive Employee shall not be construed as a commitment that any Award will be made under this Plan to such eligible Executive Employee or to eligible Executive Employees generally. Nothing contained in this Plan or in any Award Agreement (or in any other documents related to this Plan or to any Award or Award Agreement) shall confer upon any Executive Employee or Participant any right to continue in the employ or other service of the Company or a Subsidiary or constitute any contract or limit in any way the right of the Company or a Subsidiary to change such person's compensation or other benefits.

9. Interpretation. If any term or provision contained herein will to any extent be invalid or unenforceable, such term or provision will be reformed so that it is valid, and such invalidity or unenforceability will not affect any other provision or part hereof. The Plan, the Award Agreements, and all actions taken hereunder or thereunder shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia without regard to the conflict of law principles thereof. The United States District Court for the Eastern District of Virginia or the Circuit Court for the County of Henrico shall have exclusive jurisdiction over any disputes arising out of or related to this Plan or Awards.

10. Effective Date of the Plan. The Plan, as amended and restated herein, shall be effective as of the date of its approval by the Board ~~and shall be submitted to the Company's shareholders for their approval at the Company's 2015 annual meeting. Any Section 162(m) Awards that are granted prior to the date of the Company's 2015 annual meeting shall be contingent on shareholder approval of the Plan at such meeting and shall automatically terminate if such approval is not obtained.~~

MARKEL CORPORATION

By: ~~Douglas C. Eby~~ Debra J. Wilson  
Compensation Committee Chair~~man~~