

VACB Update-February 2007

*A monthly newsletter from the
Virginia Association of Community Banks*



Spring Bank Directors' Conference

VACB has worked very hard to gather some of the very best industry speakers to lead sessions at this year's Bank Directors' Conference. We have Doug Densmore with LeClair Ryan talking about Strategic Planning, and Lee Wetherington with Goldleaf talking about Technology-Driven Products on Thursday, April 19.

On Friday, we are honored to have Dr. Michael Gillette speaking about Business Ethics, Mike Larowe with Elliott Davis talking about Board Oversight of the Bank's Risk Management Activities, and Ann Brode will wrap up the Conference talking about Effective Board Meetings.

In addition, we will have a reception with select exhibitors on Thursday evening before the dinner. Full brochures are in the mail! Make your reservations at The Boar's Head Inn by calling (800) 476-1988. Don't Delay!

Harvard Elected Chair of Federal Home Loan Bank

Scott C. Harvard, President and CEO of Shore Bank, has been elected Chairman of the Board of the Federal Home Loan Bank of Atlanta. Harvard was elected to the Board by member financial institutions in Virginia and is serving his second three-year term.

FHLBank Atlanta is a \$145 billion financial services organization that provides financing, community development grants, and other banking services to nearly 1,200 financial institutions in the Southeast.

Harvard has served as President and CEO of Shore Financial Corporation and its subsidiary, Shore Bank since 1985. In addition to a number of boards Scott is currently involved with, he is also a Board member of VACB.

Andy Nea Retires as VACB Counsel

Andy Nea is one of 43 lawyers from the U.S. who have been selected to teach in universities in the formerly communist portion of Eastern Europe and the former Soviet Union. The program is administered through the Center for International Legal Studies in Salzburg, Austria.

Andy will be teaching U.S. Business Law at Belgorod State University in Belgorod Russia, about 400 miles southwest of Moscow and 20 miles from the Ukraine. He will be there from February 23 until April 1.

Once back from Russia, Andy will retire from private practice of the law, but remain at Williams Mullen as a pro bono partner. He plans to assist non-profits with an initial focus on affordable housing projects.

Legal Brief by Andy Nea

CORRECT NAMES

If the name is wrong, the collateral is gone. The lender's financing statement was filed under the name "Tyringham Holdings" instead of "Tyringham Holdings, Inc." (the name listed on the public records of the SCC). The question presented to the bankruptcy court was whether the financing statement was seriously misleading. The bankruptcy court concluded it was seriously misleading based upon the following conclusions: (1) the standard search logic of the filing office is the central consideration for determining whether a financing statement is seriously misleading, (2) the "diligent searcher's standard" is no longer the relevant statutory quantum, (3) no evidence was presented at trial that searches performed by the secured creditor's third party providers were in accordance with the SCC's standard search logic using the debtor's correct name, and (4) an official search certified by the SCC under the correct name "Tyringham Holdings, Inc.," failed to disclose the financing statement. As a result, the security interest was deemed unperfected and could be sold free and clear as to any interest of the secured party. In re Tyringham Holdings, Inc., _B.R._, 2006 WL 3479711 (Bankr.E.D. Va. Dec. 1, 2006)

Two New Banks Welcomed to VACB

Bank of Rockbridge, 744 N. Lee Highway, Lexington, VA 24450 - (540) 464-9884 - ***David T. Grist, President & CEO***

Cardinal Bank, 8270 Greensboro Drive, Suite 500, McLean, VA 22102 - (703) 584-3500 - ***Christopher W. Bergstrom, President***

Attention ICBA Convention Attendees

On the evening of March 5, the Federal Home Loan Bank of Atlanta and the Council of FHLBanks will host a reception for attendees from the FHLBank Atlanta district at the ICBA Convention.

Invited guests include incoming ICBA Chairman Jim Ghiglieri. VACB is pleased to help with the reception and looks forward to seeing the Virginia community bank attendees at this function. Virginia attendees will receive an invitation from the Federal Home Loan Bank of Atlanta.

ADDITIONS & PROMOTIONS

Bank of Botetourt in Buchanan has promoted **Cindy K. Pierson** to Vice President of Bank Operations.

Union Bank and Trust in Bowling Green has named **Tim Murphy** Commercial Lender.

First National Bank in Christiansburg has named **Rachel N. Holfchak** Vice President, Private Banking Relationship Manager in Lynchburg, **Allison Mease** has been promoted to Assistant Vice President, Commercial Relationship Manager in Blacksburg, and **Alex Richardson** has been promoted to Senior Vice President, Area Manager, Forest location.

Second Bank and Trust in Culpeper has promoted **William T. "Trip" Butler, III** to Vice President, **Justin A. McFarland** has been promoted to Assistant Vice President and **W. Stephen Southard** has been promoted to Senior Vice President and Market Executive.

First Capital Bank in Glen Allen has promoted **Barbara Caspero** to Private Client Banking Portfolio Manager, **Richard McNeil** to Senior Vice President, Manager Private Client Banking Division, **Del Ward** to Senior Vice President, Manager, Business Banking Division, and **Kendra Washman** to Business Banking Portfolio Manager.

Virginia Community Bank in Louisa has promoted **Kimberling Henshaw** to Vice President, **Betty Hiter** to Senior Vice President and Cashier, **Crysti B. Hopkins** to Senior Vice President and Branch Coordinator, **R. Thomas Hopkins** to Vice President, **Michael R. McAllister** to Senior Vice President and CFO, **Elizabeth T. Nelson** to Branch Manager of the Courthouse Branch, **Laura Rasmussen** has joined the bank as Vice President and Branch Manager of the Goochland Branch, **Amy Schick** has been named Senior Vice President and HR Department Manager, **Ronnie S. Spicer**, Senior Vice President and Senior Loan Officer, will continue his role as the chief lender and adviser to lending officers, and **William R. Strader, Jr.** to Senior Vice President and Chief Credit Officer.

Community Bankers Bank in Midlothian has named **Henderson Duke** Vice President and Correspondent Relationship Manager.

VACB 30th Convention

Make your plans now to join VACB for its 30th Annual Convention. This year's program will be held in the beautiful, newly renovated Williamsburg Lodge and Conference Center.

The Convention will be held October 14-16, 2007. Watch your mail for additional information in the coming months.



VACB Spring Bank Directors' Conference

**April 19 & 20, 2007
The Boar's Head Inn
Charlottesville, VA
(800) 476-1988**

Spring Bank Directors' College

**May 2 & 3, 2007
Charlottesville Omni
Charlottesville, VA
(434) 971-5500**