



THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND • BALTIMORE • CHARLOTTE

Post Office Box 27622 • Richmond, VA 23261
Phone 804-697-8000 • www.richmondfed.org

September 17, 2008

Via Certified Mail

Stephen Wayne VanReenen

[REDACTED]
Fredericksburg, VA 22408

Re: Criminal Conviction – Prohibition from Banking Industry

Dear Mr. VanReenen:

The Federal Reserve Bank of Richmond has become aware that you were convicted upon a plea of guilty of embezzlement in connection with your employment by Second Bank & Trust, Culpeper, Virginia. A copy of your judgment of conviction is attached. Because you have been convicted of a crime involving dishonesty or breach of trust, you are automatically subject to the prohibitions set forth in Section 19 of the Federal Deposit Insurance Act, as amended (“Section 19”) (12 U.S.C. § 1829) for banking organizations and in Section 205 of the National Credit Union Act, as amended (“Section 205(d)”) (12 U.S.C. § 1785(d)) for insured credit unions.

Section 19 and Section 205(d) prohibit you from becoming or continuing as an institution-affiliated party with respect to any of the banking organizations or credit unions described below. This means that you may not, among other things, act as an employee, officer, director, or agent of these banking organizations or credit unions. Nor may you otherwise participate, directly or indirectly, in the conduct of the affairs of any of these organizations. You are also prohibited from directly or indirectly owning or controlling any insured depository institution or holding company. These statutes do not prohibit you from being a normal, arms-length customer of a banking organization or credit union, such as having a loan, checking or savings account.

The prohibitions of Section 19 and Section 205(d) cover all insured depository institutions, including, but not limited to, any bank, savings association or credit union, and their holding companies, as well as Edge corporations and Agreement corporations. The Federal Deposit Insurance Corporation may grant written consent for you to engage in otherwise prohibited conduct with respect to insured depository institutions, and the Federal Reserve may grant written consent with respect to bank holding companies and Edge and Agreement corporations. The Office of Thrift Supervision may grant consent with respect to savings and loan association holding companies. The National Credit Union Administration Board may grant consent for insured credit unions. The automatic prohibition does not cover non-bank

subsidiaries of bank holding companies or uninsured branches or agencies of foreign banks, unless the appropriate federal banking agency takes further action against you.

Should you engage in prohibited conduct without obtaining the required consent from the appropriate agency, you could be subject to daily criminal fines of up to \$1,000,000 or up to five years imprisonment.

This letter will be posted on the website of the Board of Governors of the Federal Reserve System. If you believe that the prohibitions of Section 19 and Section 205(d) do not apply to you, because, for example, your conviction has been reversed on appeal, or for any other reason, please contact Michael Breeding in writing at this Reserve Bank.

Sincerely,



Barbara J. Moss
Assistant Vice President

cc: Dominick A. Pilli, P.C.
4041 University Drive, Suite 405
Fairfax, VA 22030

Mr. Stephen H. Meyer
Assistant General Counsel
Board of Governors
Legal Division-Mail Stop 13
20th & Constitution Avenue
Washington, D.C. 20429

Director
Department of Supervision
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Mr. Richard Gross
Case Manager, Special Activities Section
Division of Supervision
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Mr. E. Joseph Face, Jr.
Commissioner
1300 E. Main Street, Suite 800
Richmond, VA 23218

3099

VIRGINIA:

IN THE CIRCUIT COURT OF SPOTSYLVANIA COUNTY

HEARING DATE: MAY 27, 2008

JUDGE: THE HONORABLE DAVID H. BECK

COMMONWEALTH

VS.

STEPHEN WAYNE VANREENEN

[REDACTED]
FREDERICKSBURG, VA 22408

ALIAS: NONE

SSI No.:-----

DOB: [REDACTED]

RACE: W

SSN: [REDACTED]

SEX: M

CASE NUMBER	OFFENSE DESCRIPTION AND INDICATOR (F/M)	OFFENSE DATE	VA. CODE SECTION
CR08-112	EMBEZZLEMENT (M) REDUCED FROM: Embezzlement (F)	1-1-07	18.2-111
CR08-113	EMBEZZLEMENT (M) REDUCED FROM: Embezzlement (F)	7-1-06	18.2-111
CR08-114	EMBEZZLEMENT (M) REDUCED FROM: Embezzlement (F)	1-1-06	18.2-111

CONVICTION AND SENTENCING ORDER

On May 27, 2008, came William F. Neely, the Attorney for the Commonwealth and Stephen Wayne VanReenen, who stands Indicted for felonies to-wit: Nine Counts of Embezzlement, appeared on his current bond and came also his attorney, Dominic A. Pilli, heretofore retained.

A COPY TESTE:
 Christina M. Jett, Clerk
 By: [REDACTED] 9.4.08
 Deputy Clerk

Pursuant to the Plea Agreement, the Attorney for the Commonwealth moved the Court to Nolle Prose the Indictments charging Six Counts of Embezzlement. Without objection from the defendant or his counsel of record, the Court granted the motion and the Indictments charging Six Counts of Embezzlement is hereby Nolle Prose (CR08-115 thru CR08-120).

Further, pursuant to the plea agreement reached between the Commonwealth and the defendant, the Attorney for the defendant moved the Court to amend the indictments charging Three Counts of Felony Embezzlement to Three Counts of misdemeanor Embezzlement. Without objection from the defendant or his counsel of record, the Court granted the motion and the Three Counts of Felony Embezzlement (CR08-112 thru CR08-113 are hereby amended to Three Counts of misdemeanor Embezzlement (Virginia Code Section 18.2-96).

Today, May 27, 2008, the defendant moved the Court to enter an Alford plea of "Guilty" to the amended Indictments charging Three Counts of Embezzlement. The defendant was arraigned and after private consultation with and being advised by his said counsel, pled Guilty to Three Counts of Embezzlement and the Court having made inquiry and being of the opinion that the accused fully understood the nature and effect of his plea and of the penalties that may be imposed upon his conviction and of the waiver of trial by jury and of appeal and finding that the plea was voluntarily and intelligently made, and the Court having been advised by the defendant, his counsel and the Attorney for the Commonwealth that there has been a plea agreement in this case, and such agreement in writing having been presented

A COPY TESTE:
Christalyn M. Jett, Clerk
By: [REDACTED] 9-11-08
Deputy Clerk

to the Court, and now filed herein, and the stipulation of the Commonwealth's evidence, none being offered on behalf of the defendant, the Court does hereby accept the agreement and the plea of guilty of the defendant and does hereby find the defendant guilty of Three Counts of Embezzlement (Virginia Code Section 18.2-96).

The Court then asked the defendant whether he desired to make a statement or to advance any reason why judgment should not be pronounced against him according to the law. The defendant did not make a Statement.

It is accordingly the judgment of this Court on the Indictment charging Three Counts of Embezzlement that the defendant is hereby sentenced, in accordance with the aforementioned plea agreement, to incarceration with the Virginia Department of Corrections for a term of Twelve (12) months on each charge with Twelve (12) months suspended on each charge. The suspended sentence is conditioned upon the defendant to be of good behavior for 5 years and pay Court Costs.

The defendant is barred from Bank employment for 10 years as defined in 12 U.S.C. Section 1813(U), The Federal Deposit Insurance Act.

The Court certifies that at all times during the trial of this case that the defendant was personally present and his attorney was likewise personally present and capably represented the defendant.

SENTENCING SUMMARY:

A COPY TESTE:
Christalyn M. Jett, Clerk
By: [REDACTED] 9-408
Deputy Clerk

TOTAL SENTENCE IMPOSED: 36 MONTHS

TOTAL SENTENCE SUSPENDED: 36 MONTHS

EFFECTIVE SENTENCE TO SERVE: NONE

ENTER:  JUDGE

DAVID H. BECK

DATE: 6/6/08

I certify that this document to which this authentication is affixed is a true copy of a record in the Spotsylvania Circuit Court, that I have custody of the record, and that I am the custodian of that record.

9-4-08

Date


Deputy Clerk

A COPY TESTE:
Christalyn M. Jett, Clerk

By:  9-4-08
Deputy Clerk