WHEREAS, pursuant to sections 8(b) and (i)(3) of the Federal Deposit Insurance Act, as amended (the “FDI Act”), 12 U.S.C. §§ 1818(b) and (i)(3), the Board of Governors of the Federal Reserve System (the “Board of Governors”) issues this Order to Cease and Desist and Assessment of Civil Money Penalty (the “Order”) upon the consent of Jeffrey R. Davis (“Davis”), a former employee and institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(b)(3), of Putnam County Bank, Hurricane, West Virginia (the “Bank”), a state member bank;

WHEREAS, Davis, while employed as vice-president of loans at the Bank, engaged in unsafe and unsound banking practices and breaches of fiduciary duty by extending credit in violation of the Bank’s loan policy, exceeding his authority, failing to disclose information to the Bank’s board, and failing to properly oversee several loans, which caused financial loss to the Bank;
WHEREAS, Davis was terminated from his position at the Bank, but was subsequently employed by another depository institution; and

WHEREAS, by affixing his signature hereunder, Davis has consented to the issuance of this Order by the Board of Governors and has agreed to comply with each and every provision of this Order, and has waived any and all rights he might have pursuant to 12 U.S.C. § 1818, 12 CFR Part 263, or otherwise: (a) to contest the issuance of a cease-and-desist order on any matter implied or set forth in this Order; (b) to request a hearing for the purpose of taking evidence with respect to any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, terms, validity, effectiveness, or enforceability of this Order or any provision hereof.

NOW THEREFORE, prior to the taking of any testimony or adjudication of or finding on any issue of fact or law implied or set forth herein, and solely for the purpose of settling this proceeding without protracted or extended hearings or testimony:

IT IS HEREBY ORDERED,

**Cease and Desist**

1. Pursuant to section 8(b) of the FDI Act, 12 U.S.C. § 1818(b), that prior to accepting any position that would cause Davis to become an institution-affiliated party, or upon execution of this Order if Davis is currently an institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(b)(3), of any institution or agency described in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A), including, but not limited to, any insured depository institution or any holding company of an insured depository institution, or any subsidiary of such holding company, or any foreign bank or
company to which subsection (a) of 12 U.S.C. § 3106 applies and any subsidiary of such foreign bank or company, Davis shall:

(a) provide the chief executive officer and the board of directors of the institution with notice and a copy of this Order;

(b) fully familiarize himself with the policies and procedures of the institution that pertain to his duties and responsibilities, including, but not limited to, the policies and procedures concerning extensions of credit; and

(c) within ten (10) days after his acceptance of any position, or execution of this Order, as described in this paragraph, provide written notice to Vice President for Examinations and Inspections, Supervision and Risk Management Division, Federal Reserve Bank of Richmond, Post Office Box 27622, Richmond, VA 23261, along with a written certification of his compliance with each provision of this paragraph.

2. In connection with Davis’s status as an institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(b)(3), Davis shall:

(a) fully comply with all applicable laws, rules, regulations, policies, and procedures;

(b) not engage in any unsafe or unsound practice; and

(c) fully observe his fiduciary duties.

Assessment of Civil Money Penalty

3. (a) The Board of Governors hereby imposes a civil money penalty on Davis in the amount of $25,000 that shall be remitted at the time of the execution of this Order by transfer of immediately available funds to the Federal Reserve Bank of Richmond, ABA No. 1000033, beneficiary, Board of Governors of the Federal Reserve System. This penalty is a
penalty paid to a government agency for a violation of law for purposes of 26 U.S.C. § 162(f) and 26 C.F.R. § 1.162-21. The Federal Reserve Bank of Richmond, on behalf of the Board of Governors, shall distribute this sum to the U.S. Department of the Treasury, pursuant to section 8(i) of the FDI Act, 12 U.S.C. § 1818(i).

4. All communications regarding this Order shall be addressed to:

   (a) Richard M. Ashton, Esq.
       Deputy General Counsel
       Patrick M. Bryan, Esq.
       Assistant General Counsel
       Board of Governors of
       the Federal Reserve System
       20th & C Streets NW
       Washington, DC 20551

   (b) Jeffrey R. Davis

5. Any violation of this Order shall separately subject Davis to appropriate civil penalties under section 8(i) of the FDI Act, 12 U.S.C § 1818(i).

6. Davis acknowledges that no promise or representation has been made by the Board of Governors or any member, officer, employee, agent, or representative of the Board of Governors with regard to any criminal liability that may have arisen or may arise from the facts underlying this Order or immunity from any such criminal liability.

7. The provisions of this Order shall not bar, estop, or otherwise prevent the Board of Governors, or any other Federal or state agency or department, from taking any other action affecting Davis; provided, however, that the Board of Governors shall not take any further action against Davis relating to the matters addressed by this Order based upon facts presently known by the Board of Governors. This release and discharge shall not preclude or affect (i) any right of the Board of Governors to determine and ensure compliance with this Order, or (ii) any proceedings brought by the Board of Governors to enforce the terms of this Order.
8. Each provision of this Order shall remain fully effective and enforceable until expressly stayed, modified, terminated, or suspended in writing by the Board of Governors.

9. Nothing in this Order, express or implied, shall give to any person or entity, other than the parties hereto and their successors hereunder, any legal or equitable right, remedy, or claim under this Order.

By order of the Board of Governors of the Federal Reserve System, effective this 24th day of January, 2018.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

/s/ Jeffrey R. Davis

By: /s/ Ann E. Misback
Secretary of the Board