

Board of Governors of the Federal Reserve System



# Annual Report of Holding Companies—FR Y-6

**Report at the close of business as of the end of fiscal year**

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844 (c)(1)(A)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11(a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)) and section 10(c)(2)(H) of the Home Owners' Loan Act. Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies and top-tier savings and loan holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: The *Annual Report of Holding Companies* must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report.

**Date of Report** (top-tier holding company's fiscal year-end):

**December 31, 2016**

Month / Day / Year

5493005LXSLNF92BF097

Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

Virginia National Bankshares Corporation

Legal Title of Holding Company

404 People Place

(Mailing Address of the Holding Company) Street / P.O. Box

Charlottesville

VA

22911

City

State

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Tara Y. Harrison

EVP & CFO

Name

Title

434-817-8587

Area Code / Phone Number / Extension

434-817-8526

Area Code / FAX Number

tara.harrison@vnb.com

E-mail Address

www.vnbcorp.com

Address (URL) for the Holding Company's web page

I, Glenn W. Rust

Name of the Holding Company Director and Official

President & CEO, and Director

Title of the Holding Company Director and Official

attest that the *Annual Report of Holding Companies* (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Signature of Holding Company Director and Official

03/29/2017

Date of Signature

*Glenn Rust*

For holding companies not registered with the SEC—

Indicate status of Annual Report to Shareholders:

- is included with the FR Y-6 report
- will be sent under separate cover
- is not prepared

For Federal Reserve Bank Use Only

RSSD ID \_\_\_\_\_

C.I. \_\_\_\_\_

Does the reporter request confidential treatment for any portion of this submission?

Yes Please identify the report items to which this request applies:

In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.

The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

No

Form FR Y-6

Virginia National Bankshares Corporation  
404 People Place  
Charlottesville, Virginia 22911

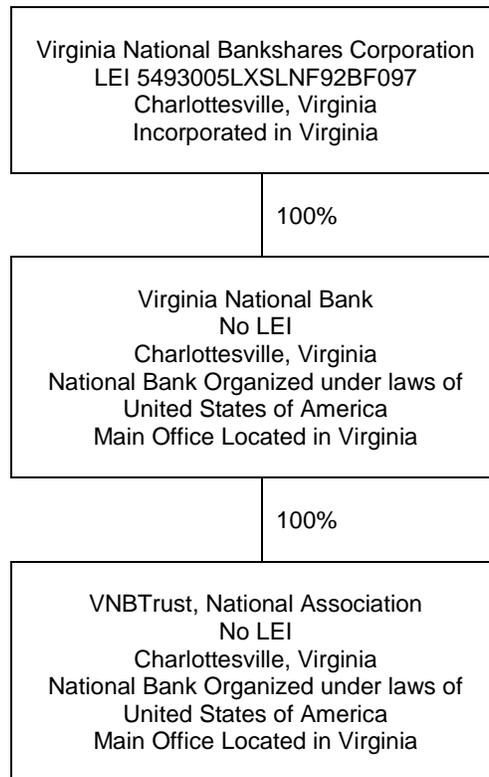
Fiscal Year Ending December 31, 2016

Report Item

1: Annual Report

The bank holding company prepares an annual report for its shareholders which is filed with the Securities and Exchange Commission (SEC). A copy of the report can be obtained from the SEC website or at [www.vnbcorp.com](http://www.vnbcorp.com), under "SEC Filings."

2a: Organizational Chart



2b: Branch listing verified and provided to the Federal Reserve Bank of Richmond by email on March 22, 2017. See following sheet.

**NOTE:** Winchester branch (ID\_RSSD 3091858) was closed October 28, 2016. FR Y-10 to report that this branch had closed was submitted electronically March 28, 2017.

**Results:** A list of branches for your depository institution: **VIRGINIA NATIONAL BANK (ID\_RSSD: 2708122)**.  
 This depository institution is held by **VIRGINIA NATIONAL BANKSHARES CORPORATION (4517261)** of **CHARLOTTESVILLE, VA**.  
 The data are as of **12/31/2016**. Data reflects information that was received and processed through **01/10/2017**.

**Reconciliation and Verification Steps**

1. In the **Data Action** column of each branch row, enter one or more of the actions specified below
2. If required, enter the date in the **Effective Date** column

**Actions**

- OK:** If the branch information is correct, enter 'OK' in the **Data Action** column.
- Change:** If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the **Data Action** column and the date when this information first became valid in the **Effective Date** column.
- Close:** If a branch listed was sold or closed, enter 'Close' in the **Data Action** column and the sale or closure date in the **Effective Date** column.
- Delete:** If a branch listed was never owned by this depository institution, enter 'Delete' in the **Data Action** column.
- Add:** If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the **Data Action** column and the opening or acquisition date in the **Effective Date** column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

**Submission Procedure**

When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.  
 If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:  
 To satisfy the **FR Y-10 reporting requirements**, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a **Data Action** of **Change, Close, Delete, or Add**.  
 The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - <https://y10online.federalreserve.gov>.

\* FDIC UNINUM, Office Number, and ID\_RSSD columns are for reference only. Verification of these values is not required.

Data Action	Effective Date	Branch Service Type	Branch ID_RSSD*	Popular Name	Street Address	City	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	2708122	VIRGINIA NATIONAL BANK	222 EAST MAIN STREET	CHARLOTTESVILLE	VA	22902	CHARLOTTESVILLE CITY	UNITED STATES	61527	0	VIRGINIA NATIONAL BANK	2708122	
OK		Full Service	3299234	ARLINGTON BOULEVARD BRANCH	1900 ARLINGTON BOULEVARD	CHARLOTTESVILLE	VA	22903	CHARLOTTESVILLE CITY	UNITED STATES	357430	2	VIRGINIA NATIONAL BANK	2708122	
OK		Full Service	3967391	PANTOPS PARK BRANCH	404 PEOPLE PLACE	CHARLOTTESVILLE	VA	22911	ALBEMARLE	UNITED STATES	479880	10	VIRGINIA NATIONAL BANK	2708122	
OK		Full Service	2748883	SEMINOLE BRANCH	1580 SEMINOLE TRAIL	CHARLOTTESVILLE	VA	22901-1452	ALBEMARLE	UNITED STATES	290801	1	VIRGINIA NATIONAL BANK	2708122	
OK		Full Service	2963583	ORANGE BRANCH	102 EAST MAIN ST	ORANGE	VA	22960	ORANGE	UNITED STATES	361526	3	VIRGINIA NATIONAL BANK	2708122	
OK		Full Service	3231663	CREEKSIDE OFFICE BRANCH	3119 VALLEY AVENUE #102	WINCHESTER	VA	22601	WINCHESTER CITY	UNITED STATES	426589	6	VIRGINIA NATIONAL BANK	2708122	
Close	10/28/2016	Full Service	3091858	WINCHESTER BRANCH	186 NORTH LOUDOUN STREET	WINCHESTER	VA	22601	WINCHESTER CITY	UNITED STATES	363111	4	VIRGINIA NATIONAL BANK	2708122	

### 3: Security Holders

- (1) Current securities holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending December 31, 2016.

(1)(a) Name City, State, Country	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Shares of Common Stock	
Hunter E. Craig Charlottesville, Virginia, USA	USA	231,566	9%
Banc Fund VI L.P., Banc Fund VII L.P., Banc Fund VIII L.P., and Banc Fund IX L.P. Chicago, Illinois, USA	USA	209,209	8%
William D. Dittmar, Jr. Charlottesville, Virginia, USA	USA	184,358 4,428 Options	7%

- (2) Securities holders not listed in 3(1) above with ownership, control or holdings of 5% or more with power to vote during the fiscal year ending December 31, 2016.

None

#### 4: Insiders

The following table sets forth certain information as of December 31, 2016 concerning beneficial ownership of the Company's common stock by each director and executive officer.

(1) Name City, State Country	(2) Principal Occupation if other than with Holding Company	(3)(a) Title and Position with Holding Company	(3)(b) Title and Position with Subsidiaries	(3)(c) Title and Position with Other Businesses	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) Percentage of Voting Shares in Other Companies if 25% or more	
Virginia R. Bayes Charlottesville, VA USA	N/A	Executive Officer	EVP & Chief Credit Officer, Virginia National Bank	President, Oak Ridge Properties Inc. North Garden, VA	1% *	N/A	Oak Ridge Properties Inc.	50%
H.K. Benham, III Winchester, VA USA	Retired attorney	Director	Director, Virginia National Bank and VNBTrust, N.A	Trustee of: Elizabeth Kern Trust; Brockton Land Trust; Benham Trust; Richardson Trust; and Petith Trust (all of Winchester, VA).  Co-Trustee of: Page-Brook Land Trust; Frederick Plaza Land Trust; Ridgeview Apartments Land Trust; and Sloan Trust (all of Winchester, VA).  Co-Manager of: Winchester Commerce St. LLC; Briars-PLI, LLC; Page Brooke Village Apartments, LLC; R & J Properties of Winchester LLC; SHK Properties, LLC; Sommerfield LLC; and Lord Fairfax Apartments (all of Winchester, VA).  Director, Plasticard-Locktech International, LLP, Asheville, NC	1% *	N/A	Benham Trust Brockton Land Trust Elizabeth Kern Trust	See Note 1 50% See Note 1
Steven W. Blaine Charlottesville, VA USA	Attorney	Director	Director, Virginia National Bank and VNBTrust, N.A	Partner & Vice President, LeClairRyan, Charlottesville, VA	1% *	N/A	N/A	
William D. Dittmar, Jr. Charlottesville, VA USA	Executive of company that manages and develops of commercial properties	Chairman of the Board	Director, Virginia National Bank and VNBTrust, N.A	Manager of: Enterprise Properties, LLC; OMD, LLC; BHN, LLC; Pantops Park, LLC; 401 East Market St., LLC; Lady Cass, LLC; BHE LLC (all of Charlottesville, VA)	7%	N/A	Enterprise Properties, LLC OMD, LLC BHN, LLC Pantops Park, LLC 401 East Market St., LLC Lady Cass, LLC BHE LLC	100% 100% 50% 100% 100% 100%

**Note 1:** Mr. Benham is the Trustee and Lifetime Beneficiary of these Trusts.

(1) Name City, State Country	(2) Principal Occupation if other than with Holding Company	(3)(a) Title and Position with Holding Company	(3)(b) Title and Position with Subsidiaries	(3)(c) Title and Position with Other Businesses	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) Percentage of Voting Shares in Other Companies if 25% or more	
James T. Holland Winchester, VA USA	Consultant and Author	Director	Director, Virginia National Bank and VNBTrust, N.A	Managing Partner, JSJ Partnership, Winchester, VA	1% *	N/A	JSJ Partnership	33%
Susan K. Payne Charlottesville, VA USA	Executive of marketing, public relations and advertising firm	Director	Director, Virginia National Bank and VNBTrust, N.A	President, The Blue Ridge Group, Inc.; Owner, 206 E Jefferson St., LLC (all of Charlottesville, VA)	1% *	N/A	The Blue Ridge Group, Inc. 206 E Jefferson St, LLC	100% 50%
Glenn W. Rust Charlottesville, VA USA	N/A	President, Chief Executive Officer, Director	President and Chief Executive Officer, Director, Virginia National Bank and VNBTrust, N.A.	N/A	1%	N/A	N/A	
Donna G. Shewmake Charlottesville, VA USA	N/A	EVP & General Counsel, and Secretary to the Board	EVP & General Counsel, and Secretary to the Board, Virginia National Bank; Secretary to the Board, VNBTrust, N.A.	N/A	1% *	N/A		
Gregory L. Wells Charlottesville, VA USA	Executive of company operating fitness & wellness centers	Director	Director, Virginia National Bank and VNBTrust, N.A	Chief Executive Officer of: Legacy Management, Inc.; ACAC of Virginia, Inc.; ACAC of Richmond, Inc.; ACAC of Short Pump, Inc.;and ACAC, L.P. (all of Charlottesville, VA)	1% *	N/A	Jump Gardens, LLC Jump Lynnhaven, LLC Jump Lynchburg, LLC	35% 25% 25%
Bryan D. Wright Charlottesville, VA USA	Attorney	Director	Director, Virginia National Bank and VNBTrust, N.A	Principal and Owner, Law Offices of Bryan D. Wright; Chairman & CEO, Bexar, LLC and WorldGen, LLC; Chairman & General Manager, Kuhlmann Wilsdorf Motors, LLC; Director, EAS I P, LLC (all of Charlottesville, VA)	1% *	N/A	Law Offices of Bryan D. Wright Bexar, LLC WorldGen, LLC	100% 100% 100%

\* Each of these individuals owns less than 1% of the common stock of Virginia National Bankshares Corporation.

NOTE: (4)(b) -- Percentage of Voting Shares in Subsidiaries  
Virginia National Bank is a wholly owned subsidiary of Virginia National Bankshares Corporation, and VNBTrust, N.A. is a wholly owned subsidiary of Virginia National Bank; therefore, there are no individuals or other entities with shares in the subsidiaries.