

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)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). 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, top-tier savings and loan holding companies, and U.S. intermediate 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. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

I, William G. Foster, Jr.

Name of the Holding Company Director and Official

President and Chief Executive Officer

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]
 Signature of Holding Company Director and Official

March 28, 2017
 Date of Signature

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. _____

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

December 31, 2016

Month / Day / Year

549300NIJITDSZ8M7H32

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

Reporter's Name, Street, and Mailing Address

Village Bank and Trust Financial Corp.

Legal Title of Holding Company

13319 Midlothian Turnpike

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

Midlothian Virginia 23113
 City State Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Margaret Powers VP Financial Reporting
 Name Title

804-419-1251

Area Code / Phone Number / Extension

804-897-4750

Area Code / FAX Number

mpowers@villagebank.com

E-mail Address

www.villagebank.com

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

Is confidential treatment requested for any portion of this report submission? No Yes

In accordance with the General Instructions for this report (check only one),

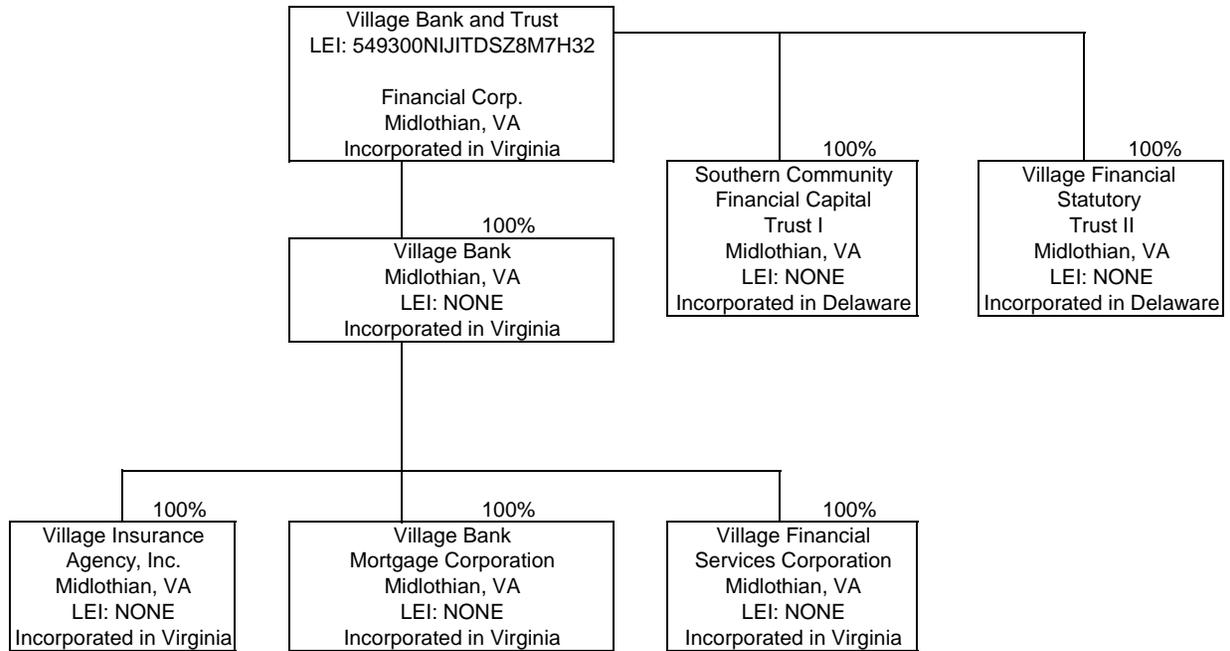
- 1. a letter justifying this request is being provided along with the report
- 2. a letter justifying this request has been provided separately

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

Form FR Y-6
Village Bank and Trust Financial Corp.
Midlothian, Virginia
Fiscal Year Ended December 31, 2016

Report Item 1 - Registered with the SEC annual report not included

Report Item 2a - Organizational Chart



Report Item 2b- The Branch Verification List provided to the Federal Reserve Bank 2/9/17 via email to rich.fry6@rich.frb.org

Results: A list of branches for your depository institution: **VILLAGE BANK (ID_RSSD: 2760232)**.
 This depository institution is held by **VILLAGE BANK AND TRUST FINANCIAL CORP. (3251027)** of **MIDLOTHIAN, 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)	2760232	VILLAGE BANK	13531 MIDLOTHIAN TURNPIKE	MIDLOTHIAN	VA	23113	CHESTERFIELD	UNITED STATES	74900	0	VILLAGE BANK	2760232	
OK		Full Service	3840216	SLIDING HILL BRANCH	10035 SLIDING HILL ROAD	ASHLAND	VA	23005	HANOVER	UNITED STATES	489377	15	VILLAGE BANK	2760232	
OK		Full Service	3195493	CHESTER BRANCH	4221 W HUNDRED RD	CHESTER	VA	23831	CHESTERFIELD	UNITED STATES	419325	1	VILLAGE BANK	2760232	
OK		Full Service	3390944	CHESTERFIELD OFFICE	6551 CENTRALIA ROAD	CHESTERFIELD	VA	23832	CHESTERFIELD	UNITED STATES	445471	5	VILLAGE BANK	2760232	
OK		Full Service	3379873	MECHANICSVILLE BRANCH	8051 MECHANICSVILLE TURNPIKE	MECHANICSVILLE	VA	23111	HANOVER	UNITED STATES	481908	10	VILLAGE BANK	2760232	
OK		Full Service	3127681	CLOVER HILL BRANCH	6736 SOUTHSORE DRIVE	MIDLOTHIAN	VA	23112	CHESTERFIELD	UNITED STATES	420183	2	VILLAGE BANK	2760232	
OK		Full Service	3613634	HUGUENOT ROAD BRANCH	1120 HUGUENOT ROAD	MIDLOTHIAN	VA	23113	CHESTERFIELD	UNITED STATES	464970	9	VILLAGE BANK	2760232	
OK		Full Service	3554979	SOUTH CREEK BRANCH	1793 SOUTHCREEK ONE	POWHATAN	VA	23139	POWHATAN	UNITED STATES	457594	8	VILLAGE BANK	2760232	
OK		Full Service	3649781	FOREST OFFICE PARK BRANCH	1401 SANTA ROSA ROAD	RICHMOND	VA	23229	HENRICO	UNITED STATES	482166	13	VILLAGE BANK	2760232	
OK		Full Service	3452758	WILLOW LAWN BRANCH	1650 WILLOW LAWN DRIVE	RICHMOND	VA	23230	HENRICO	UNITED STATES	452617	7	VILLAGE BANK	2760232	

Form FR Y-6
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2016

Report Item 3: Shareholders

(1)(a)(b)(c) and (2)(a)(b)(c)

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12/31/2016			Shareholders not listed 3(1)(a) through 3(1)(c) that had ownership, control or holdings of 5% or more with power to vote <u>during</u> the fiscal year ending 12/31/2016		
(1)(a) Name & Address (City, State, Country)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities	(2)(a) Name & Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
Ken Lehman Arlington, Virginia USA	USA	577,200 - 40.41% Common Stock			
John S. Clark Hobe Sound, Florida USA	USA	96,772 - 6.78% Common Stock	N/A	N/A	N/A

Form FR Y-6
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2015

Report Item 4: Insiders

(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (list names of companies and percentage of voting securities are held)
Kenneth R. Lehman Arlington, Virginia, USA	Private Investor, Attorney and Banking Entrepreneur	Director	Director (Village Bank)	Director of : Four Oaks Fincorp, Inc. and Four Oaks Bank & Trust Company, Marine Bank & Trust Company, Dlemark Bankcorp, Inc. and The Bank of Delmarva, Liberty Bell Bank. Managing Member and owner of BVC Capital, LLC	40.41%	N/A	See attached list
R.T. Avery, III Richmond Virginia, USA	Home building	Director	Director (Village Bank)	President Chesterfield Construction Services, Inc.	1.28%	None	See attached list
Craig D. Bell Richmond, Virginia, USA	Attorney	Director and Chairman	Director and Chairman (Village Bank)	Partner McGuire Woods LLP	1.26%	None	None
William B. Chandler Richmond, Virginia, USA	Manufacturing	Director	Director (Village Bank)	President Plastex Fabricators	1.11%	None	See attached list

Form FR Y-6
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2016

Report Item 4: Insiders

(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (list names of companies and percentage of voting securities are held)
O. Woodland Hogg, Jr. Mechanicsville, Virginia, USA	N/A	Director	Director (Village Bank)	Owner and Principal Broker ERA Woody Hogg & Associates	0.50%	None	See attached list
Michael A. Katzen Richmond, Virginia, USA	N/A	Director	Director (Village Bank)	Partner Katzen & Frye, P.C	0.59%	None	See attached list
Michael L. Toalson Richmond, Virginia, USA	Trade organization	Director	Director (Village Bank)	Chief Executive Officer HomeBuilders Association of Virginia	0.64%	None	None
Charles E. Walton Ashland, Virginia, USA	N/A	Director	Director (Village Bank)	Owner/President Charles E. Walton & Co., PC	0.80%	None	Charles E. Walton & Co., PC 50%

Form FR Y-6
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2016

Report Item 4: Insiders

(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (list names of companies and percentage of voting securities are held)
John T. Wash, Sr. Glean Allen, Virginia, USA	N/A	Director	Director (Village Bank)	Managing Partner Hanover Plaza, LLC and Bay Court Associates, LLC	0.66%	None	See attached list
George R. Whittemore Richmond, Virginia, USA	N/A	Director	Director (Village Bank)	Retired	0.74%	None	None
Thomas W. Winfree Richmond, Virginia, USA	N/A	Director	Director (Village Bank)	Retired	0.65%	None	See attached list
C. Harril Whitehurst, Jr. Richmond, Virginia, USA	N/A	Executive Vice President	Executive Vice President (Village Bank)	N/A	1.04%	None	Towncrest Investments, LLC 25%
William Foster, Jr. Richmond, Virginia, USA	N/A	Director, President, and CEO	Director, President, and CEO (Village Bank)	N/A	1.85%	None	None

Form FR Y-6
Attachment to Report Item 4
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2016

Insider	Company Name	% Held
R.T. Avery, III	JG Developers, Inc.	100%
	AIRE HOKEYE, Inc.	100%
	Chesterfield Construction Services T/A Emerald Homes	100%
	TA Investments	50%
	Avery VII, LC	50%
	Wildwood, LLC	85%
	Midlothian Ventures, LLC	50%
	Towncrest Investments, LLC	25%
	HOCAV, LLC	33%
	River Bluffs, L.C.	65%
William B. Chandler	Chandler Aviation	100%
	KBT, LLC	33%
	MI, LLC	33%
	P-Fab, LLC	25%
	KBTJ, LLC	33%
O. Woodland Hogg, Jr.	ERA-Woddy Hogg & Associates	40%
	Oakleigh Properties, LLC	50%
	The Woodland Group, LLC	50%
	Woody Hogg Office Building	75%
	Oakley Homes, LLC	50%
	Agent Approved Contractors, LC	100%
Michael A. Katzen	Katzen & Frye	99%
	Glebe Hill Associates, Inc.	50%
Kenneth R. Lehman	Virginia Partners Bank	43%
	Liberty Shares, Inc and The Heritage Bank	48%
	Four Oaks Fincorp, Inc. and Four Oaks Bank & Trust Company	47%
	Marine Bank & Trust Company	45%
	Delmar Bancorp, Inc., and The Bank of Delmarva	41%
	Liberty Bell Bank	43%
	Village Bank & Trust Financial Corp. and Village Bank	41%
	BVC Capital, LLC	100%
John T. Wash Sr.	Bay Court Assoc, LLC	50%
	Hanover Holdings, LLC	50%
	Hanover Holdings LL, LLC	33%
	Hanover Plaza	25%
	Antique Lane Holdings, LLC	40%
	Providence Forge Partners, LLC	25%
Thomas W. Winfree	The Warrenton Office Building, LLC	27%
	The Warrenton Office Building II, LLC	100%
	Towncrest Investments, LLC	25%
	Midlo Investments	100%