

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.

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

December 31, 2019

Month / Day / Year

H549300NIJITDSZ8MH32

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

Reporter's Name, Street, and Mailing Address

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.

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

VA

23113

City

State

Zip Code

Physical Location (if different from mailing address)

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.

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

Signature of Holding Company Director and Official

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. _____

Is confidential treatment requested for any portion of this report submission?	0=No 1=Yes	0
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	<input type="checkbox"/>	
2. a letter justifying this request has been provided separately ...	<input type="checkbox"/>	
NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."		

For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

Legal Title of Subsidiary Holding Company

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

City State Zip Code

Physical Location (if different from mailing address)

Legal Title of Subsidiary Holding Company

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

City State Zip Code

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Physical Location (if different from mailing address)

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

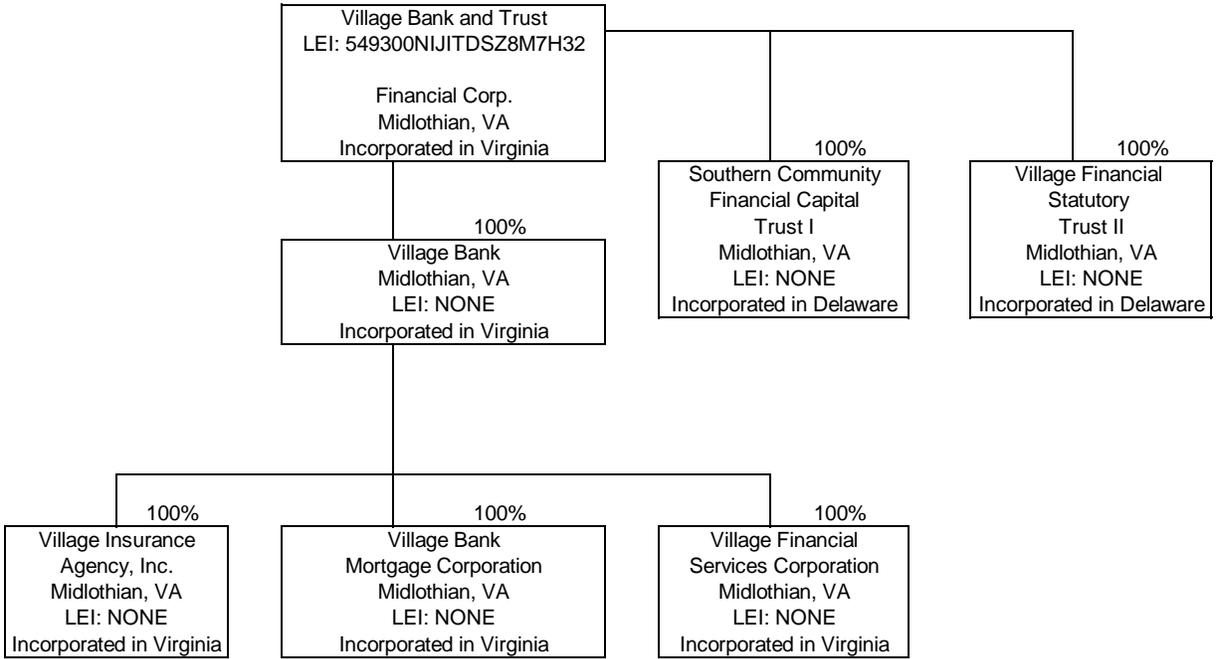
City State Zip Code

Physical Location (if different from mailing address)

Form FR Y-6
Village Bank and Trust Financial Corp.
Midlothian, Virginia
Fiscal Year Ended December 31, 2019

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

Report Item 2a - Organizational Chart



Report Item 2b- The Branch Verification List is attached

Results: A list of branches for your holding company: VILLAGE BANK AND TRUST FINANCIAL CORP. (3251027) of MIDLOTHIAN, VA.
 The data are as of 12/31/2019. Data reflects information that was received and processed through 03/05/2020.

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	CHESTERFIEL	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	
OK		Full Service	3840216	SLIDING HILL BRANCH	10035 SLIDING HILL ROAD	ASHLAND	VA	23005	HANOVER	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	
OK		Full Service	3195493	CHESTER BRANCH	4221 W HUNDRED RD	CHESTER	VA	23831	CHESTERFIEL	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	
OK		Full Service	3379873	MECHANICSVILLE BRANCH	8051 MECHANICSVILLE TURNPIKE	MECHANICSVILL	VA	23111	HANOVER	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	
OK		Full Service	3127681	CLOVER HILL BRANCH	6736 SOUTHSORE DRIVE	MIDLOTHIAN	VA	23112	CHESTERFIEL	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	
OK		Full Service	3554979	SOUTH CREEK BRANCH	1793 SOUTHCREEK ONE	POWHATAN	VA	23139	POWHATAN	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	
OK		Full Service	3649781	FOREST OFFICE PARK BRANCH	1401 SANTA ROSA ROAD	RICHMOND	VA	23229	HENRICO	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	
OK		Full Service	3452758	WILLOW LAWN BRANCH	1650 WILLOW LAWN DRIVE	RICHMOND	VA	23230	HENRICO	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	
OK		Full Service	5172863	WILLIAMSBURG BRANCH	5372 DISCOVERY PARK BOULEVARD, SUITE 1	WILLIAMSBURG	VA	23188	JAMES CITY	UNITED STATES	Not Required	Not Required	VILLAGE BAN	2760232	

Form FR Y-6
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2019

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 12/31/2019			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 12/31/2019		
(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	740,904 - 50.99% Common Stock			

Form FR Y-6
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2019

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)
R.T. Avery, III Richmond, Virginia, USA	Home building	Director	Director (Village Bank)	President Chesterfield Construction Services, Inc.	1.30%	None	See attached list
Craig D. Bell Richmond, Virginia, USA	Attorney	Director and Chairman	Director and Chairman (Village Bank)	Partner McGuire Woods LLP	1.30%	None	None
Devon M. Henry Newport News, Virginia, USA	Contracting/ Logistics	Director	Director (Village Bank)	CEO and President Team Henry Enterprises, LLC	0.04%	None	See attached list
Frank E. Jenkins Manakin Sabot, Virginia, USA	Accountant	Director	Director (Village Bank)	Adams, Jenkins & Cheatham, PC	0.11%	None	See attached list

Form FR Y-6
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2019

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)
Michael A. Katzen Richmond, Virginia, USA	Attorney	Director	Director (Village Bank)	Partner Katzen & Frye, P.C	0.65%	None	See attached list
Michael L. Toalson Richmond, Virginia, USA	N/A	Director	Director (Village Bank)	Retired	0.68%	None	None
Charles E. Walton Ashland, Virginia, USA	Accountant	Director	Director (Village Bank)	Owner/President Charles E. Walton & Co., PC	0.84%	None	None

Form FR Y-6
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2019

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)
George R. Whittemore Richmond, Virginia, USA	N/A	Director	Director (Village Bank)	Retired	0.78%	None	None
Donald M. Kaloski, Jr. Richmond, Virginia, USA	N/A	Executive Vice President	Executive Vice President (Village Bank)	N/A	0.11%	None	None
William Foster, Jr. Richmond, Virginia, USA	N/A	Director, President, and CEO	Director, President, and CEO (Village Bank)	N/A	2.16%	None	None
Kenneth R. Lehman	Private Investor, Attorney and Banking Entrepreneur	N/A	N/A	Director & principal stockholder: Demar Bancorp and The Bank of Delmarva, Inc., Marine Bancorp and Marine Bank & Trust Company, Heritage Bancorporation and The Heritage Bank, Virginia Partners Bank, CCF Holding Company and Heritage Bank. Principal stockholder; ABB Financial Group and Affinity Bank, Profidence Bank, Village Bank & Trust Financial Corp. and Village Bank. Director IMF Hekima SACA (LLC) and Managing member BVC Capital LLC.	50.99%	None	See attached

** Note: Although Kenneth R. Lehman is not a director or officer of the holding company, information must be provided because he is considered a "principal securities holder" of the company.

Form FR Y-6
Attachment to Report Item 4
Village Bank and Trust Financial Corp.
Fiscal Year Ended December 31, 2019

Insider	Company Name	% Held
R. T. Avery, III	JG Developers, Inc.	100.0%
	AIRE HOKEYE, Inc.	100.0%
	Chesterfield Construction Services T/A Emerald Homes	100.0%
	TA Investments	50.0%
	Avery VII, LC	50.0%
	Wildwood, LLC	85.0%
	Midlothian Ventures, LLC	50.0%
	Towncrest Investments, LLC	25.0%
	River Bluffs, L.C.	65.0%
	Michael A. Katzen	Katzen & Frye
Glebe Hill Associates, Inc.		50.0%
Frank E. Jenkins	Adams, Jenkins & Cheatham, PC	30.0%
	MidAtlantic Trailer Sales and Service	50.0%
	Insurance Concepts, LLC	100.0%
	Spyglass Properties, LLC	50.0%
	Rivercity Yahoos, LLC	33.0%
	3 Wood Properties, LLC	33.0%
	Ski Center, LLC	50.0%
	Next Level Properties, LLC	25.0%
	SWOP, LLC	30.0%
	TZC Properties, LLC	50.0%
	1409 Forest Ave., LLC	100.0%
905 Kevin Dr., LLC	100.0%	

RELATED INTERESTS

Date: December 31, 2019

Name: Kenneth R. Lehman

Business Address: 122 N. Gordon Road, Fort Lauderdale, FL 33301

Set forth below are all "related interest" under 12 CFR Section 215.2(n).

Business Name/Location (9)	Type of Company	Position / Relationship	Percent Controlled(1)
Delmar Bancorp, Salisbury, MD(2)	Bank holding company	Director & principal stockholder	42%
Heritage Southeast Bancorporation, McDonough, GA(3)	Bank holding company	Director & principal stockholder	42%
Marine Bancorp of Florida, Vero Beach, FL(4)	Bank holding company	Director & principal stockholder	44%
ABB Financial Group, Atlanta, GA(5)	Bank holding company	Director & principal stockholder	51%
Village Bank & Trust Financial Corp., Midlothian, VA(6)	Bank holding company	Principal stockholder	51%
Sevier County Bancshares, Sevierville, TN(7)	Bank holding company	Principal stockholder	41%
BVC Capital, LLC, (a single-owner LLC)(8)	Limited liability company	Managing Member	100%

(1) Assumes that I have exercised all warrants and options (and that no other option- or warrant-holder has done so).

(2) I also serve as a director of Delmar Bancorp's subsidiary banks, The Bank of Delmarva, Salisbury, MD and Virginia Partners Bank, Fredericksburg, VA.

(3) I also serve as a director of Heritage Southeast Bancorporation's subsidiary bank, Heritage Southeast Bank, McDonough, GA.

(4) I also serve as a director of Marine Bancorp's subsidiary bank, Marine Bank & Trust Company, Vero Beach, FL.

(5) I also serve as a director of ABB Financial's subsidiary bank, Affinity Bank, Atlanta, GA. In August 2019, ABB Financial entered into an agreement to be acquired by Community First Bancshares, Inc. (Nasdaq: CFBI) for cash. The transaction is expected to be completed in the first quarter of 2020.

(6) Village Financial is the holding company for Village Bank, Midlothian, VA.

(7) Sevier County Bancshares is the holding company for Sevier County Bank, Sevierville, TN.

(8) I am the managing member, sole owner and sole beneficiary of BVC Capital, which is a single-owner LLC that is disregarded for tax purposes.

(9) I also own 24.9% of the outstanding voting securities of a bank holding company headquartered in the Southeast that I do not believe is a "related interest" under 12 CFR § 215(n), based on discussions with the Federal Reserve Banks of Richmond and Atlanta. I also own 21% of the outstanding voting securities of IMF Hekima SACA [LLC], (of which I am also a director), a microfinance institution headquartered in Goma, the Democratic Republic of the Congo, which I do not believe is considered a "related interest" under 12 CFR § 215(n).

SIGNATURE:

/s/ Kenneth R. Lehman

Date: December 31, 2019