

Carter Bank & Trust Announces Termination of Consent Order

2019-08-02

MARTINSVILLE, VA / ACCESSWIRE / August 2, 2019 / Carter Bank & Trust (NASDAQ:CARE) (the “Bank”) announced today that the Federal Deposit Insurance Corporation (the “FDIC”) and the Virginia Bureau of Financial Institutions (the “Bureau”) have terminated their Consent Order with the Bank. The effective date of the termination was July 31, 2019. The termination of the Consent Order signifies that the FDIC and the Bureau have determined that the Bank has met all of the Consent Order requirements.

The Consent Order was issued on August 2, 2016, in connection with the Bank’s deficiencies in compliance with the Bank Secrecy Act/Anti-Money Laundering. The Bank implemented and adopted best practice industry standards related to sound risk management practices in areas of internal controls, information systems, loan documentation, credit underwriting and asset quality.

“The lifting of this Consent Order is a huge milestone for the Bank and represents our team’s successful effort to build out the risk management infrastructure required to meet the complexities and regulatory standards of the Bank Secrecy Act. The enhanced technology infrastructure that was implemented late 2018 was the last component that enabled us to meet the industry regulatory compliance requirements with regards to BSA/AML. The termination of this Consent Order is validation that our Regulators recognize the tremendous progress we have made and our ongoing commitment to effective risk management,” said Carter Bank & Trust’s Chief Executive Officer, Litz H. Van Dyke.

Van Dyke added, “I want to convey my heartfelt thanks to our employees who have worked tirelessly to strengthen our BSA/AML program. Lots of hard work went into making the termination of this Consent Order a reality. I would also like to acknowledge the commitment of our Board of Directors. Without their support, this positive outcome

would not have been possible. With this order behind us, we have made another significant step toward advancing our strategic priority to grow our franchise value.”

About Carter Bank & Trust

Headquartered in Martinsville, Virginia, Carter Bank & Trust is a state-chartered community bank in Virginia with \$4.0 billion in assets and 104 branches in Virginia and North Carolina. For more information, visit **www.CarterBankandTrust.com**.

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SOURCE: Carter Bank & Trust