

Dear Valued Shareholders,

Without a doubt, 2009 was a challenging year. Today's current economic conditions, combined with the resulting heightened regulatory scrutiny, have created issues for financial institutions of all sizes. One thing is evident; we have continued to work with our customers as they have been heavily impacted by declining retail sales, real estate values and the downward turn of the economy.

Bank of Virginia is committed to taking care of our customers and shareholders and it is important for me to stress that we whole-heartedly embrace this responsibility. On behalf of Bank of Virginia, I would like to share some facts with you:

1. **Bank of Virginia ended 2009 as being "well-capitalized" according to regulatory standards.**
2. **Bank of Virginia experienced strong growth in 2009. As reported, the Bank finished third quarter 2009 with assets of \$226 million, an increase of 10% from year-end 2008.**
3. **We are a "Main Street" bank that continues to support the communities in which we are located.**
4. **Our deposits are backed, to the maximum extent permitted by law, by the full faith and credit of the Federal Deposit Insurance Corporation (FDIC).**

As previously announced, Bank of Virginia has entered into a written agreement with the Federal Reserve Bank of Richmond, VA and the Virginia Bureau of Financial Institutions. Enclosed please find a recent press release for your review.

In concurrence with the agreement, the Bank has established action plans and already addressed a number of items identified during the Bank's routine regulatory exam. The agreement requires us to implement strategies to further improve our risk management and capital plans.

Running a safe and sound business is our top priority. We believe that the concentration of our core business strategies will improve asset quality, continue to generate new core deposit relationships and strengthen our liquidity.

On behalf of the Board, Management Team and employees, we thank you for your continuing business and trust in Bank of Virginia. Please feel free to contact me directly with any concerns.

Sincerely,



Frank Bell, III
President & CEO, Bank of Virginia
804-763-1333

Enclosure (1)