

UNITED STATES OF AMERICA
BEFORE
THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C.

_____	)	
In the Matter of	)	Docket No. 03-013-B-I
	)	
LORI H. STAPLES	)	Cease and Desist Order
	)	Issued Upon Consent Pursuant to the
A Former Institution-Affiliated Party of	)	Federal Deposit Insurance Act, as Amended
The Marathon Bank	)	
Winchester, Virginia	)	
_____	)	

WHEREAS, pursuant to section 8(b)(1) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818(b)(1)) (the "FDI Act"), the Board of Governors of the Federal Reserve System (the "Board of Governors") issues this Cease and Desist Order (the "Order") against Lori H. Staples ("Staples"), a former vice-president and an institution-affiliated party, as defined in section 3(u) of the FDI Act (12 U.S.C. 1813(u)), of The Marathon Bank, Winchester, Virginia, a state chartered bank that is a member of the Federal Reserve System; and

WHEREAS, by affixing her signature hereunder Staples has consented to the issuance of this Order by the Board of Governors and to comply with each and every provision of this Order, and has waived any and all rights that she may have pursuant to section 8 of the FDI Act (12 U.S.C. 1818) to a hearing for the purpose of taking evidence on any matters set forth in this Order; to judicial review of this Order; and to challenge or contest, in any manner, the basis, issuance, validity, terms, effectiveness or enforceability of this Order or any provisions hereof.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to section 8(b)(1) of the FDI Act that:

1. Staples shall provide the Federal Reserve Bank of Richmond (the “Reserve Bank”) with 10 days written notice prior to her acceptance of any new position that would cause her to become an institution-affiliated party of any institution specified in section 8(e)(7)(A) of the FDI Act (12 U.S.C. 1818(e)(7)(A)), including, but not limited to any insured depository institution or bank holding company.

2. In the event that Staples becomes an institution-affiliated party of any institution described in paragraph 1 of this Order, Staples shall take such actions as are necessary, consistent with her responsibilities, to ensure that the institution and Staples fully comply with the Currency and Foreign Transactions Reporting Act (31 U.S.C. 5311 et seq.) (the Bank Secrecy Act) and the regulations issued thereunder by the U.S. Department of the Treasury (31 C.F.R. 103.11 et seq.), and any and all anti-money laundering regulations issued by the appropriate federal banking agency for such an institution pursuant to section 8(s) of the FDI Act (12 U.S.C. 1818(s)) or similar authority.

3. This Order shall remain fully effective and enforceable until expressly stayed, modified, terminated or suspended in writing by the Board of Governors.

4. All communications regarding this Order shall be sent to:

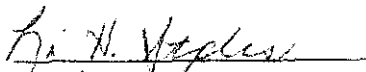
(a) Mr. Jeffrey S. Kane
Senior Vice President
Banking Supervision and Regulation
Federal Reserve Bank of Richmond
Post Office Box 27622
Richmond, Virginia 23261

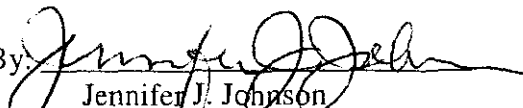
(b) Ms. Lori H. Staples
Post Office Box 952
Stephens City, Virginia 22655

5. The provisions of this Order shall not bar, estop or otherwise prevent the Board of Governors, the Reserve Bank or any other federal or state agency from taking any other action affecting Staples, The Marathon Bank, Winchester, Virginia, or any of its current or former institution-affiliated parties.

BY ORDER of the Board of Governors effective this 28 day of May, 2003.

Board of Governors of the
Federal Reserve System


Lori S. Staples
H.

By: 
Jennifer J. Johnson
Secretary of the Board