

Remarks by Christy L. Romero, Special Inspector General  
Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP)

Press Statement

Wednesday, November 6, 2013

***Remarks Regarding the Sentencing of Edward Woodard,  
Former CEO of Bank of the Commonwealth***

***Massive bank fraud conspiracy led to the collapse of bank that used fraudulent  
books and records to apply for \$28 million in TARP funds***

Today, Edward Woodard, former CEO of Bank of the Commonwealth, was sentenced to 23 years in federal prison for orchestrating a massive fraud with the help of other bank officers and their network of co-conspirators that drove the bank into the ground. This is the largest bank failure in Virginia history, and it profoundly impacts the people of Tidewater who have lost an important source of lending. The bank's failure will cost the FDIC Deposit Insurance Fund an estimated \$333 million.

Motivated by greed, Woodard lied, cheated, and stole. Greedy for aggressive growth, he made risky bank loans that violated industry standards and bank policies that he created. When the loans resulted in losses, he hid the losses through criminal accounting tricks and lies to bank examiners. He stole, lining his own pockets at the expense of the bank. He used gifts, personal favors, and sweetheart deals as his currency of choice in motivating his co-conspirators to help him cook the bank's books to hide the fraud that was causing the bank to fail.

TARP is not an opportunity to finance banks failing under the weight of fraud. However, Woodard used the bank's fraudulent books and records to try to cheat federal taxpayers out of \$28 million in TARP bailout funds to fill the holes he caused in the bank's books.

Woodard directed a culture of pervasive deceit, corruption, and arrogance that spread like a disease at the bank. Today's sentencing proves that no one is above the law. SIGTARP and our law enforcement partners will hold all those guilty of crimes related to TARP accountable for their actions and ensure that swift justice is served. There will and must be real consequences for breaking the law—this is why law enforcement is our overriding priority at SIGTARP.

To the people of the Tidewater region and in communities across the nation—SIGTARP is looking out for you. SIGTARP stands committed to protecting the American people from all crime related to TARP.

I would like to thank Acting United States Attorney Dana Boente as well as the terrific Assistant United States Attorneys, Melissa O'Boyle, Katherine Lee Martin, and Uzo Asonye, for their tireless work prosecuting the case. I also want to thank the FBI, IRS-CI, Federal Reserve Office of Inspector General, and the FDIC Office of Inspector General for their important work on this investigation.