

**FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON, D.C. 20429**

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OF  
THE SECURITIES EXCHANGE ACT OF 1934**

May 15, 2013

Date of Report (Date of earliest event reported)

TOWNE BANK

(Exact name of registrant as specified in its charter)

<u>Virginia</u>	<u>35095</u>	<u>54-1910608</u>
(State or other jurisdiction of incorporation)	(FDIC Insurance Cert. No.)	(IRS Employer Identification No.)

5716 High Street, Portsmouth, Virginia  
(Address of principle executive offices)

23703  
(Zip Code)

(757) 638-7500  
(Registrant's telephone number, including area code)

No Change  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## **ITEM 8.01 OTHER EVENTS**

On May 15, 2013, TowneBank (the “Company”) issued a press release announcing that it had repurchased in full the warrant that was issued to the U.S. Department of Treasury in connection with the Company’s participation in the Trouble Asset Relief Program Capital Purchase Program. The warrant, relating to the right to purchase 554,330 shares of common stock of the Company at \$20.69 per share, was repurchased at the mutually agreed upon price of \$1.5 million. A press release dated May 15, 2013 is attached as Exhibit 99 to this Current Report on Form 8-K and is incorporated herein by reference.

## **ITEM 9.01 - FINANCIAL STATEMENTS AND EXHIBITS**

Exhibit 99: News Release dated May 15, 2013.

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**TOWNEBANK**  
(Registrant)

/s/ Clyde E. McFarland, Jr.

Clyde E. McFarland, Jr.  
Senior Executive Vice President & Chief Financial Officer

Date: May 15, 2013

## ***News Release***

### ***FOR IMMEDIATE RELEASE***

#### **For more information contact:**

G. Robert Aston, Chairman and CEO, (757) 638-6780

Clyde E. McFarland, Jr., Senior Executive Vice President and CFO (757) 638-6801

## **TOWNEBANK REPURCHASES WARRANT FROM U.S. TREASURY**

**Suffolk, Va.** – Hampton Roads based TowneBank (NASDAQ: TOWN) announced today that it completed the repurchase of the warrant issued to the United States Department of the Treasury as part of the TARP Capital Purchase Program. The warrant provided the right to purchase 554,330 shares of TowneBank common stock at \$20.69 per share. TowneBank and the U.S. Treasury agreed upon a repurchase price of \$1.5 million for the warrant.

As one of the top community banks in Virginia and North Carolina, TowneBank operates 26 banking offices serving Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, Williamsburg, James City County and York County in Virginia along with Moyock, Grandy, Camden, Southern Shores, Corolla and Kill Devil Hills in North Carolina. Towne also offers a full range of financial services through its controlled divisions and subsidiaries that include Towne Investment Group, Towne Insurance Agency, TFA Benefits, TowneBank Mortgage, TowneBank Commercial Mortgage, Prudential Towne Realty, Towne 1031 Exchange, LLC, and Corolla Classic Vacations. Through its strategic partnership with William E. Wood and Associates, the bank also offers mortgage services in all of their offices in Hampton Roads and Northeastern North Carolina. Local decision-making is a hallmark of its hometown banking strategy that is delivered through the leadership of each group's President and Board of Directors. With total assets of \$4.38 billion as of March 31, 2013, TowneBank is one of the largest banks headquartered in Virginia. ###