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CertusBank fires 3 top executives, names Poelker interim CEO

By Andrew Dunn
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CertusBank fired its top executives and installed an interim CEO on Wednesday as the Greenville, S.C., bank with Charlotte ties continues to face questions over its spending.

Community bank veteran John S. Poelker has been named interim president and CEO, the bank said in a statement. Robert L. Wright, a former logistics company executive who has been on the bank's board since 2009, was named chairman.

Milton Jones, Walter Davis and Angela Webb – former Bank of America and Wachovia executives who had led CertusBank since its inception – were fired.

It's the latest twist in the bank's struggle against allegations brought by New York-based investment manager Benjamin Weinger. In a letter to fellow shareholders, Weinger described millions spent on corporate condos,

private jet flights and a new flagship branch and headquarters building, [the Observer reported last week](#). He also cited payments to a consulting firm run by the bank's executives.

Poelker said he would approach the CEO role with three goals: "listen, learn and lead – in that order."

"As we assess the state of the bank, we will remain focused on doing the right thing for our customers and working openly with all of our stakeholders," Poelker said in a statement.

Neither Jones, Davis nor Webb returned phone calls or emails seeking comment. Poelker was not available Wednesday for an interview, a public relations firm hired by the bank said.

Troubles begin

Jones, Davis and another former Bank of America managing director, Charlie Williams, obtained a bank charter in 2010 for a Charlotte-based company known as Blue Ridge Holdings Inc.

It bought five failed banks across South Carolina, Georgia and North Carolina in January 2011, and ultimately grew to \$1.8 billion in assets. The banks operated under the name CertusBank, and the headquarters moved to Greenville.

The bank opened a retail branch in Charlotte in 2012 and bought Myers Park Mortgage Inc.

CertusBank lost \$19.9 million in 2012 and \$64.3 million last year, according to federal filings.

Earlier this year, shareholders began complaining about the ongoing losses and what they perceived to be questionable spending.

The letter from Weinger cited more than \$350,000 spent on private jet flights, \$300,000 on sporting events, \$100,000 on private club memberships and luxury vacation expenses, \$1.5 million on three corporate condos and \$30 million to upfit the bank's new headquarters. The Greenville building now boasts "the tallest interactive, multi-touch media wall in the United States," according to the bank's announcement late last year.

Weinger also questioned ties between CertusBank and Integrated Capital Strategies, a Charlotte consulting firm also owned by the bank's top executives. ICS was hired to help deal with troubled assets, and Weinger's letter claimed CertusBank significantly overpaid.

ICS counts former Charlotte City Council member James "Smuggie" Mitchell as a managing director, though he said last week his role did not involve business with CertusBank.

Last week, CertusBank urged people not to rush to judgment on the shareholders' concerns. The bank said it had put together a group of directors to investigate.

Williams left CertusBank last week. He said the shareholders' dissent was coming from investors who wanted the bank to be sold.

Rapid changes

CertusBank investors told the Observer last week they intended to call a shareholder meeting to replace the bank's executives. Glen Jackson, a spokesman for the bank, declined to say whether such a meeting was held Wednesday or exactly how the changes were enacted.

In an email to employees Wednesday, Poelker, the interim CEO, said he would keep an office in Greenville and asked for help as he assesses the situation at the bank and reported to the board what needed to be done to move forward.

“Together, we will work diligently to strengthen CertusBank and emerge successfully from this challenging period,” he wrote. Poelker, a 40-year banking industry veteran, was chief financial officer of San Francisco’s BankAmerica in the 1980s, before it merged with Charlotte-based NationsBank.

He established a consulting firm in 2005 and has filled executive roles at community banks looking for interim leadership, including as CEO of Myrtle Beach, S.C.-based Beach First National Bank.

Wright, the new board chairman, expressed confidence in Poelker in an email to employees: “I am confident his competency and credentials will set CertusBank on a path of growth and increased stability.”

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Enjoy the discussion.

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