Annual Report of Holding Companies—FR Y-6

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 803 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

NOTE: The Annual Report of Holding Companies must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

I, John Gilliam
Name of the Holding Company Director and Officer
President / Director
Title of the Holding Company Director and Officer
attest that the Annual Report of Holding Companies (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that he has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 251, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Signature of Holding Company Director and Official
03/21/2019
Date of Signature

For holding companies not registered with the SEC—indicate status of Annual Report to Shareholders:
☐ is included with the FR Y-6 report
☐ will be sent under separate cover
☒ is not prepared

For Federal Reserve Bank Use Only

RGGD ID
C.I.

This report form is to be filed by all top-tier bank holding companies, top-tier savings and loan holding companies, and U.S. intermediate holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2018
Month / Day / Year
N/A

Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

Valley Mills Financial Corporation
Legal Title of Holding Company

P.O. Box 278
(Mailing Address of the Holding Company) Street / P.O. Box
Valley Mills
City
TX
76689
State
Zip Code

418 Avenue C, Valley Mills, TX 76689
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Jerry White
Secretary

Name
Title
254-932-5345
Area Code / Phone Number / Extension

254-932-5208
Area Code / FAX Number

jerry@fnbbosque.com
E-mail Address

N/A
Address (URL) for the Holding Company's web page

Is confidential treatment requested for any portion of this report submission? ......................

☐ Yes

In accordance with the General Instructions for this report (check only one),

1. a letter justifying this request is being provided along with the report.

2. a letter justifying this request has been provided separately ...

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."
Valley Mills Financial Corporation  
P.O. Box 278  
Valley Mills, Texas 76689  

Federal Reserve Bank  
FR Y-6 Report  

December 31, 2018

Report Item – 1:  
None

Report Item – 2a:  
Valley Mills Financial Corporation  
Valley Mills, Texas  
Incorporated in Texas

100% ownership in the following

First National Bank of Bosque County  
Valley Mills, Texas  
Incorporated in Texas

No LEI is available for either organization

Report Item – 2b:  
Attached

Report Item – 3:  
Attached

Report Item – 4:  
Attached

Valley Mills Financial Corporation

[Signature]

John Gilliam, President / Director
### Table: Branch Information

<table>
<thead>
<tr>
<th>State</th>
<th>Branch Service Type</th>
<th>Branch ID</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>County</th>
<th>Country</th>
<th>FDIC UNUM</th>
<th>Office Number</th>
<th>Head Office</th>
<th>Head Office ID_BSSD</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>198961</td>
<td>FIRST NATIONAL BANK OF BOSQUE COUNTY</td>
<td>418 AVENUE C</td>
<td>VALLEY MILLS</td>
<td>TX</td>
<td>76680</td>
<td>BOSQUE</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>FIRST NATIONAL BANK OF BOSQUE COUNTY</td>
<td>198961</td>
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<tr>
<td>OK</td>
<td>Full Service</td>
<td>154690</td>
<td>CLINTON OFFICE</td>
<td>1208 NORTH HIGHWAY 6</td>
<td>CLINTON</td>
<td>TX</td>
<td>76634</td>
<td>BOSQUE</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>FIRST NATIONAL BANK OF BOSQUE COUNTY</td>
<td>198961</td>
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<td>OK</td>
<td>Full Service</td>
<td>3397130</td>
<td>MERIDIAN BRANCH</td>
<td>115 5 MARY ST</td>
<td>MERIDIAN</td>
<td>TX</td>
<td>76663</td>
<td>BOSQUE</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>FIRST NATIONAL BANK OF BOSQUE COUNTY</td>
<td>198961</td>
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<tr>
<td>OK</td>
<td>Full Service</td>
<td>2308322</td>
<td>RANCH HOUSE BRANCH</td>
<td>8212 NORTH HIGHWAY 6</td>
<td>WOODWAY</td>
<td>TX</td>
<td>76712</td>
<td>MOLLINAN</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>FIRST NATIONAL BANK OF BOSQUE COUNTY</td>
<td>198961</td>
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<tr>
<td>Name &amp; Address (City, State, Country)</td>
<td>(1)(b) Country of Citizenship or Incorporation</td>
<td>(1)(c) Number and Percentage of Each Class of Voting Securities</td>
<td>Securities Holders not listed in 3(1)(a) through (3)(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12-31-2018</td>
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<tr>
<td>John Gilliam Valley Mills, Texas</td>
<td>US</td>
<td>25,748 shares 69.05%</td>
<td>N/A</td>
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<td>Allison Gilliam Valley Mills, Texas</td>
<td>US</td>
<td>1,000 shares 2.68%</td>
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<td>Micah Boles Valley Mills, Texas</td>
<td>US</td>
<td>2,758 shares 7.39%</td>
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<tr>
<td>Jennifer Boles Valley Mills, Texas</td>
<td>US</td>
<td>2,758 shares 7.39%</td>
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<tr>
<td>Phil Gilliam Valley Mills, Texas</td>
<td>US</td>
<td>2,756 shares 7.39%</td>
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</table>
Report Item 4: Insiders
(1)(a)(b)(c) and (2)(a)(b)(c)

<table>
<thead>
<tr>
<th>Names &amp; Address (City, State, Country)</th>
<th>Principal Occupation if other than with holding company</th>
<th>Title &amp; Position with holding company</th>
<th>Title &amp; Position with Subsidiaries (include names of subsidiaries)</th>
<th>Title &amp; Position with Other Businesses (include names of other businesses)</th>
<th>Percentage of Voting Securities in holding company</th>
<th>Percentage of Voting Securities in Subsidiaries (include names of subsidiaries)</th>
<th>Other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)</th>
</tr>
</thead>
</table>
| John Gilliam
  Valley Mills, Texas                   | Banking                                                | President Director                   | First National Bank of Bosque County Vice Chairman Director | None                                                                     | 69.05%                                         | None                                                                                                   | None                                                                          |
| Allison Gilliam
  Valley Mills, Texas                  | N/A                                                    | Director                             | First National Bank of Bosque County Director               | None                                                                     | 2.68%                                          | None                                                                                                   | None                                                                          |
| Phil Gilliam
  Valley Mills, TX                     | N/A                                                    | Prin Shareholder                     | First National Bank of Bosque County Prin Shareholder       | None                                                                     | 7.39%                                          | None                                                                                                   | None                                                                          |
| Micah Boles
  Valley Mills, Texas                  | Banking                                                | Director                             | First National Bank of Bosque County President / CEO Director | None                                                                     | 7.39%                                          | None                                                                                                   | None                                                                          |
| Jennifer Boles
  Valley Mills, Texas                  | Banking                                                | Director                             | First National Bank of Bosque County Vice President Director | None                                                                     | 7.39%                                          | None                                                                                                   | None                                                                          |
| Mark Gibson
  Waco, Texas                           | Banking                                                | Director                             | First National Bank of Bosque County Chairman Director      | None                                                                     | 1.34%                                          | None                                                                                                   | None                                                                          |