

Board of Governors of the Federal Reserve System



# 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 809 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.

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.

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, Bryan W. Stephenson  
 Name of the Holding Company Director and Official  
Chairman and CEO  
 Title of the Holding Company Director and Official

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 it 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 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.*

Bryan W. Stephenson  
 Signature of Holding Company Director and Official  
 02/14/2019  
 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**

RSSD ID \_\_\_\_\_  
 C.I. \_\_\_\_\_

Date of Report (top-tier holding company's fiscal year-end):  
**December 31, 2018**  
 Month / Day / Year  
 None

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

Reporter's Name, Street, and Mailing Address

BSA Bankshares, Inc  
 Legal Title of Holding Company  
2118 South Treadaway Blvd.  
 (Mailing Address of the Holding Company) Street / P.O. Box  
Abilene TX 79602  
 City State Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:  
Bryan W. Stephenson CEO  
 Name Title

325-677-3000  
 Area Code / Phone Number / Extension

325-437-4001  
 Area Code / FAX Number

bstephenson@fsbabilene.com  
 E-mail Address

fsbabilene.com  
 Address (URL) for the Holding Company's web page

Is confidential treatment requested for any portion of this report submission?  0=No  1=Yes 0

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."

## For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

BSA Delaware, Inc.

Legal Title of Subsidiary Holding Company

103 Foulk Rd., Suite 202

(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box

Wilmington

DE

19803

City

State

Zip Code

2118 South Treadaway Blvd., Abilene, TX 79602

Physical Location (if different from mailing address)

Legal Title of Subsidiary Holding Company

(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box

City

State

Zip Code

Physical Location (if different from mailing address)

Legal Title of Subsidiary Holding Company

(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box

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Zip Code

Physical Location (if different from mailing address)

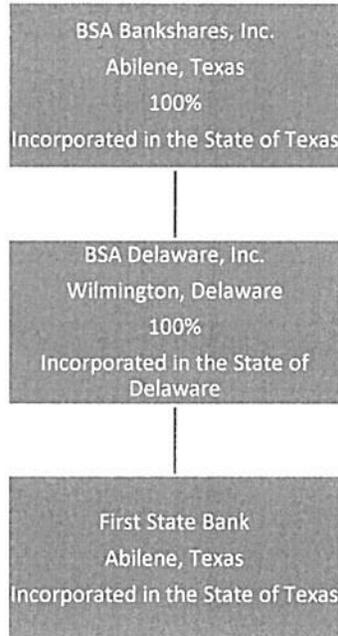
Form FR Y-6

BSA Bankshares, Inc.  
2118 South Treadaway Blvd.  
Abilene, Texas 79602

Fiscal Year Ending December 31, 2018

Report Item

- 1: a. The BHC is not required to prepare form 10K with the SEC.
- 1: b. The BHC does not prepare an annual report for its shareholders. It does provide a compiled financial report to its shareholders. One copy of the compiled financial report is included.
- 2: Organization Chart



No Entity has a LEI number

Report Item 2: Domestic Branch Listing

**Results: A list of branches for your holding company: BSA BANKSHARES, INC. (3179662) of ABILENE, TX.**  
 The data are as of 12/31/2018. Data reflects information that was received and processed through 01/06/2019.

**Reconciliation and Verification Steps**

1. In the **Data Action** column of each branch row, enter one or more of the actions specified below.
2. If required, enter the date in the **Effective Date** column.

**Actions**

**OK:** If the branch information is correct, enter 'OK' in the **Data Action** column.  
**Change:** If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the **Data Action** column and the date when this information first became valid in the **Effective Date** column.  
**Close:** If a branch listed was sold or closed, enter 'Close' in the **Data Action** column and the sale or closure date in the **Effective Date** column.  
**Delete:** If a branch listed was never owned by this depository institution, enter 'Delete' in the **Data Action** column.  
**Add:** If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the **Data Action** column and the opening or acquisition date in the **Effective Date** column.  
 If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

**Submission Procedure**

When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.  
 If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

**Note:**

To satisfy the **FR Y-10 reporting requirements**, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a **Data Action** of Change, Close, Delete, or Add.  
 The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - <https://y10online.federalreserve.gov>.

\* FDIC UNINUM, Office Number, and ID\_RSSD columns are for reference only. Verification of these values is not required.

Data Action	Effective Date	Branch Service Type	Branch ID_RSSD*	Popular Name	Street Address	City	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	498456	FIRST STATE BANK	2118 SOUTH TREADAWAY BVD.	ABILENE	TX	79602	TAYLOR	UNITED STATES	Not Required	Not Required	FIRST STATE BANK	498456	
OK		Full Service	3254943	MENARD BRANCH	1101 WEST SAN SABA AVENUE	MENARD	TX	76859	MENARD	UNITED STATES	Not Required	Not Required	FIRST STATE BANK	498456	

BSA Bankshares, Inc.  
 Abilene, Texas  
 Fiscal Year Ending 12/31/2018

Report Item 3: Securities Holders

Current Securities Holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12/31/2018

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 (but not at fiscal year-end)

(1)(a) Name & Address (City, State, Country)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities	(2)(a) Name & Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
Bryan W. Stephenson Abilene, Texas 79605	USA	79,981--51% Common Stock	None		
Jim Fitzhugh Abilene, Texas 79605	USA	25,583--19% Common Stock *			
John W. Berry Anson, Texas 79501	USA	11,716--7% Common Stock			

\* Includes 26,280 shares of common stock held in Mr. Fitzhugh's self directed IRA.

BSA Bankshares, Inc.  
 Abilene, Texas  
 Fiscal Year Ending 12/31/2018  
 BSA Delaware, Inc.  
 (Lower tier bank holding company of BSA Bankshares, Inc.)

Report Item 3: Securities Holders

Current Securities Holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12/31/2018

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(1)(a) Name & Address (City, State, Country)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities	(2)(a) Name & Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
BSA Bankshares, Inc. Abilene, Texas 79602	USA	1,000--100% Common Stock	None		

Form FR-Y-6  
 BSA Bankshares, Inc.  
 Abilene, Texas  
 Fiscal Year Ending December 31, 2018

**Report Item 4: Insiders**  
 (1)(2)(3)(a)(b)(c) and (4)(a)(b)(c)

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (Include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (Include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
Bryan W. Stephenson Abilene, Texas	N/A	Director, Chairman, President, & CEO	Director & President of BSA Delaware, Inc., Director, Chairman & CEO of First State Bank	N/A	51.000%	None	None
Jim Fitzhugh Abilene, Texas	N/A	Director, Secretary, & Treasurer	Director, President (Abilene Location) First State Bank	N/A	19.000%	None	None
Randal Crosswhite Abilene, Texas	Accountant	Director	Director, First State Bank	N/A	1% (Held jointly with his wife)*	None	R&L Bookkeeping Service (100%)
Brant H. Stephenson Dripping Springs, Texas	N/A	Director	Director, Sr. V.P. First State Bank	N/A	None	None	None

\*Lesa  
 Crosswhite,  
 Spouse

Form FR-Y-6  
**BSA Bankshares, Inc.**  
 Abilene, Texas  
 Fiscal Year Ending December 31, 2018

**BSA Delaware, Inc.**  
 (Lower tier bank holding company of BSA Bankshares, Inc.)

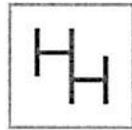
**Report Item 4: Insiders**  
 (1)(2)(3)(a)(b)(c) and (4)(a)(b)(c)

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
BSA Bankshares, Inc. Abilene, Texas	N/A	N/A	N/A	N/A	100% of BSA Delaware, Inc.	N/A	N/A
Bryan W. Stephenson Abilene, Texas	N/A	Director, Chairman, President, & CEO	Director & President of BSA Delaware, Inc., Director, Chairman & CEO of First State Bank	N/A	None	None	N/A

**BSA BANKSHARES, INC.  
ABILENE, TEXAS**

**COMPILED  
(PARENT COMPANY ONLY)  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
DECEMBER 31, 2018**



HAMBY &  
HENGELI LLC  
accountants and advisors

## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
BSA Bankshares, Inc.  
Abilene, Texas

Management is responsible for the accompanying financial statements of BSA Bankshares, Inc. which comprise of the balance sheet as of December 31, 2018, and the related statements of income, comprehensive income and changes in stockholders' equity for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

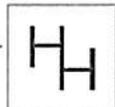
Management has elected to omit substantially all of the disclosures and the statements of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statements of cash flows were included in the financial statements, they might influence the user's conclusion about the Company's financial position, results of operation, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

*Hamby & Hengeli LLC*

San Angelo, Texas  
January 29, 2019

Certified Public Accountants

2909 Sherwood Way, Suite 204, San Angelo, TX 76901  
325.949.2567 | [www.HambyHengeli.com](http://www.HambyHengeli.com)



**BSA BANKSHARES, INC.**  
**BALANCE SHEET**  
December 31, 2018

**ASSETS**

Cash in bank	\$ 13,741
Investment in BSA Delaware, Inc.	3,434,806
Income tax receivable	<u>1,718</u>
<b>Total Assets</b>	<b><u>\$ 3,450,265</u></b>

**LIABILITIES**

Accrued expenses and other liabilities	\$ -
Due to BSA Delaware, Inc.	254
Note payable	<u>100</u>
<b>Total Liabilities</b>	<b><u>354</u></b>

**STOCKHOLDERS' EQUITY**

Common stock, \$.01 par value; 1,000,000 shares authorized, 157,500 shares issued and outstanding	1,575
Additional paid-in capital	1,723,825
Retained earnings	1,724,895
Accumulated other comprehensive income	<u>(384)</u>
<b>Total Stockholders' Equity</b>	<b><u>3,449,911</u></b>
<b>Total Liabilities and Stockholders' Equity</b>	<b><u>\$ 3,450,265</u></b>

See accompanying accountants' compilation report.

**BSA BANKSHARES, INC.**  
**STATEMENT OF INCOME**  
**For the Year Ended December 31, 2018**

<b>Income</b>	
Dividend income from subsidiary	\$ 120,000
<b>Expenses</b>	
Interest	3,758
Professional fees	3,306
Other	1,120
Directors' fees	<u>-</u>
Total Expenses	<u>8,184</u>
Income before income taxes and equity in undistributed earnings of subsidiary	111,816
Income tax benefit	(1,718)
Equity in undistributed income of subsidiary	<u>120,928</u>
<b>Net Income</b>	<u>\$ 234,462</u>

See accompanying accountants' compilation report.

**BSA BANKSHARES, INC.**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the Year Ended December 31, 2018**

Net Income	\$ 234,462
Other comprehensive income (loss)	
Gross unrealized loss on securities available for sale, net of deferred income tax of \$176	<u>(527)</u>
Total other comprehensive income (loss)	(527)
Total Comprehensive Income	<u>\$ 233,935</u>

See accompanying accountants' compilation report.

**BSA BANKSHARES, INC.**  
**STATEMENT OF STOCKHOLDER'S EQUITY**  
**For the Year Ended December 31, 2018**

	<u>Common Stock</u>	<u>Capital Surplus</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total Stockholders' Equity</u>
Balance - January 1, 2018	\$ 1,575	\$ 1,723,825	\$ 1,490,433	\$ 143	\$ 3,215,976
Net Income	-	-	234,462	-	234,462
Other comprehensive loss	-	-	-	(527)	(527)
<b>Balance - December 31, 2018</b>	<u>\$ 1,575</u>	<u>\$ 1,723,825</u>	<u>\$ 1,724,895</u>	<u>\$ (384)</u>	<u>\$ 3,449,911</u>

See accompanying accountants' compilation report.