

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, Carlos Vacek

Name of the Holding Company Director and Official

Chairman of the Board, Director, Principal Securities Holder

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.

Carlos Vacek

Signature of Holding Company Director and Official

1/22/2021

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, 2020

Month / Day / Year

n/a

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

Reporter's Name, Street, and Mailing Address

County Bancshares, Inc.

Legal Title of Holding Company

PO Box 429

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

Orange Texas 77631
 City State Zip Code

4039 IH 10 E, Orange Texas 77630

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Judy Weber SVP/Cashier

Name Title

361-786-2525

Area Code / Phone Number / Extension

361-786-4760

Area Code / FAX Number

jweber@fsboftx.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	<input type="checkbox"/> <input type="checkbox"/>
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		<input type="checkbox"/>
2. a letter justifying this request has been provided separately ...		<input type="checkbox"/>
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.

n/a
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

City State Zip Code

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City State Zip Code

Physical Location (if different from mailing address)

Form FR Y-6

County Bancshares, Inc.

Orange, Texas

Fiscal Year Ending December 31, 2020

Report Item 1: County Bancshares, Inc. is a privately held company and thus is not registered with the Securities and Exchange Commission. A copy of the annual financial report is included. See Report Item 1.

Report Item 2a: Organizational Chart

Report Item 2b: Domestic Branch Listing

Report Item 3: Securities Holders

Report Item 4: Insider

Consolidation

County Bancshares and Subsidiary - First State Bank of Texas

As of December 31, 2020

Consolidated Balance Sheet

	First State Bank	County Bancshares	Total	Eliminations	Consolidated
ASSETS					
Cash and due from banks	27,758,325	1,170,303	28,928,628	(29,960)	28,898,668
Timed deposits held at other banks	3,750,000	500,000	4,250,000		4,250,000
Investment securities	19,408,735		19,408,735		19,408,735
Loans, net of allowance	138,479,362		138,479,362		138,479,362
Fixed assets, net of accumulated amortization	7,316,237	-	7,316,237		7,316,237
Accrued interest receivable	758,622		758,622		758,622
Other assets	5,270,780		5,270,780		5,270,780
Investment in First State Bank		25,008,308	25,008,308	(25,008,308)	-
Investment in Forehand Title		191,882	191,882		191,882
Core deposit intangible	1,050,539		1,050,539		1,050,539
Goodwill	3,200,635		3,200,635		3,200,635
ORE	-		-		-
Total Assets	206,993,235	26,870,493	233,863,728	(25,038,268)	208,825,460
LIABILITIES					
Deposits, total	180,774,631		180,774,631	(29,960)	180,744,671
Accrued interest payable	76,328		76,328		76,328
Other liabilities	1,133,968	3,005	1,136,973		1,136,973
Borrowed Funds		-	-		-
Total Liabilities	181,984,927	3,005.00	181,987,932	(29,960)	181,957,972
CAPITAL					
Common stock	473,850	26,043	499,893	(473,850)	26,043
Capital Treasury Stock		(350,000)	(350,000)	-	(350,000)
Surplus	3,526,150	26,016,957	29,543,107	(3,526,150)	26,016,957
Surplus - Purchase Accounting Adjustments	18,991,868		18,991,868	(18,991,868)	-
Retained Earnings	1,852,128	1,010,176	2,862,304	(1,852,128)	1,010,176
Other comprehensive income	164,312	164,312	328,624	(164,312)	164,312
Total Capital	25,008,308	26,867,488	51,875,796	(25,008,308)	26,867,488
Total Liabilities and Capital	206,993,235	26,870,493	233,863,728	(25,038,268)	208,825,460

CONSOLIDATED STATEMENT OF INCOME
COUNTY BANCSHARES, INC.

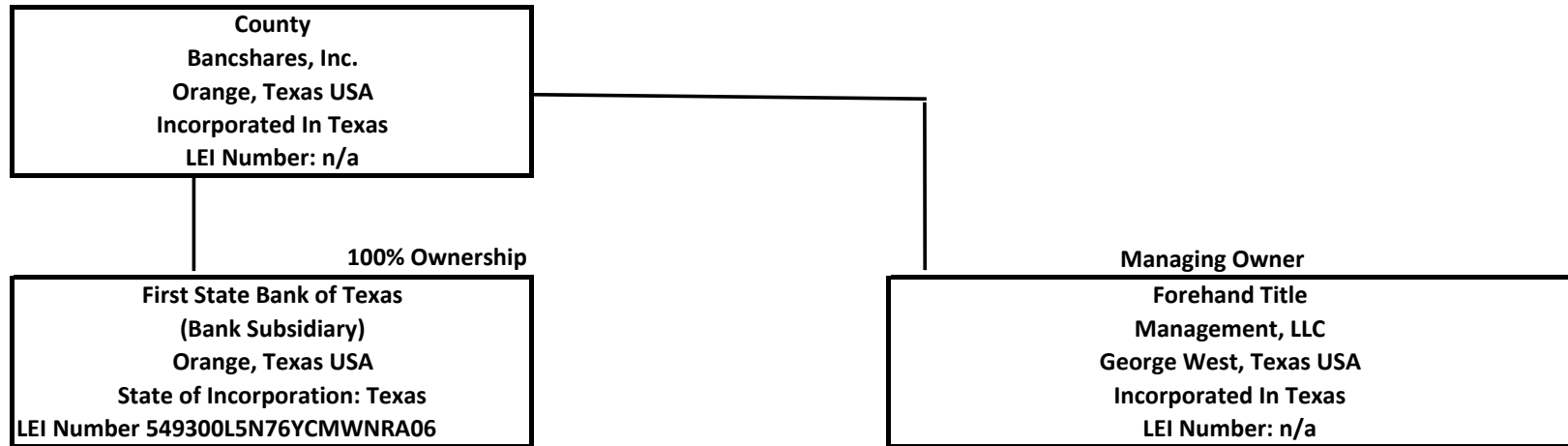
As of **12/31/2020**

	First State Bank	County Bancshare, Inc.	Eliminating Entries	Consolidated Balance
INTEREST INCOME				
Loans, including fees	7,213,764.00	-	-	7,213,621.00
Interest on investment securities	296,466.00	-	-	296,466.00
Interest on deposits in banks	181,534.00	24,414.00	-	205,948.00
Total Interest Income	<u>7,691,764.00</u>	<u>24,414.00</u>	<u>-</u>	<u>7,716,035.00</u>
INTEREST EXPENSE				
	<u>1,017,325.00</u>	<u>-</u>	<u>-</u>	<u>1,017,325.00</u>
NET INTEREST INCOME				
	6,674,439.00	24,414.00	-	6,698,710.00
PROVISION FOR LOAN LOSSES				
	<u>140,749.00</u>	<u>-</u>	<u>-</u>	<u>140,749.00</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES				
	6,533,690.00	24,414.00	-	6,557,961.00
NON-INTEREST INCOME				
Undistributed Earning from Subsidiary	-	1,049,524.00	(1,049,524.00)	-
Service charges on deposit accounts	940,119.00	-	-	940,119.00
Other	410,320.00	12,362.00	-	422,682.00
Total Non-Interest Income	<u>1,350,439.00</u>	<u>1,061,886.00</u>	<u>(1,049,524.00)</u>	<u>1,362,801.00</u>
NON-INTEREST EXPENSE				
(Gain) or Loss on sale other real estate owned	-	-	-	-
Loss on sale of fixed assets	(5,229.00)	-	-	(5,229.00)
Salaries, Wages, and Benefits	3,581,108.00	-	-	3,581,108.00
Ouccpancy and Equipment	995,488.00	-	-	995,488.00
Merger/Acquisition Expense	-	-	-	-
Other	2,263,238.00	54,266.00	-	2,317,504.00
Total Non-Interest Expense	<u>6,834,605.00</u>	<u>54,266.00</u>	<u>-</u>	<u>6,888,871.00</u>
NET INCOME				
	<u>1,049,524.00</u>	<u>1,032,034.00</u>	<u>(1,049,524.00)</u>	<u>1,031,891.00</u>

COMMON SHARES OUTSTANDING	2,574,300	
Treasury Stock	30,000	Price per share
Total Number of Shares	2,604,300	\$ 10.44
Number of shareholders	100	

Form FR Y6
Item 2a.

County Bancshares, Inc.
Orange, Texas
Organizational Chart
Fiscal Year ending December 31, 2020



Results: A list of branches for your holding company: COUNTY BANCSHARES, INC. (4935502) of ORANGE, TX.
 The data are as of 12/31/2020. Data reflects information that was received and processed through 01/05/2021.

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)	190563	FIRST STATE BANK OF TEXAS	4039 I-10 EAST	ORANGE	TX	77630	ORANGE	UNITED STATES	Not Required	Not Required	FIRST STATE BANK OF TEXAS	190563	
ok		Full Service	5075889	BEAUMONT BRANCH	8350 PHELAN BOULEVARD SUITE A	BEAUMONT	TX	77706	JEFFERSON	UNITED STATES	Not Required	Not Required	FIRST STATE BANK OF TEXAS	190563	
ok		Full Service	5318401	THREE RIVERS BRANCH	422 NORTH DIBRELL AVENUE	THREE RIVERS	TX	78071	LIVE OAK	UNITED STATES	Not Required	Not Required	FIRST STATE BANK OF TEXAS	190563	
ok		Full Service	5485022	VIDOR BRANCH	1384 NORTH MAIN ST	VIDOR	TX	77662	ORANGE	UNITED STATES	Not Required	Not Required	FIRST STATE BANK OF TEXAS	190563	

Exhibit D
Form FR Y6
County Bancshares, Inc.
5% Voting Shareholders
Fiscal Year Ending December 31, 2020

Report Item 3: Securities Holders

(1)(a)(b)(c)

Current securities holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2020

(1)(a) Name City, State, Country	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities
VACEK FAMILY MEMBERS		
Carlos Vacek Orange, Texas, USA	USA	175,000 - 6.798% Common Stock 97,000 - 2.97% Warrants on Common Stock
Kenneth & Leticia Vacek Revocable Trust Co-Trustees: Kenneth Vacek & Leticia Vacek San Antonio, Texas, USA	USA	30,000 - 1.17% Common Stock
Damon R Vacek Orange, Texas, USA	USA	27,500 - 1.068% Common Stock 20,000 - .65% Warrants on Common Stock
Carla Towson Orange Texas USA	USA	25,000 - .97% Common Stock

TOTAL SHARES	257,500
TOTAL PERCENTAGE STOCK	10.01%
TOTAL WARRANTS	117,000
TOTAL PERCENTAGE WARRANTS	3.62%

MELLO FAMILY MEMBERS

William Mello Orange, Texas, USA	USA	289,000 - 11.23% Common Stock
Carolyn Mello Orange, Texas, USA	USA	25,000 - .97% Common Stock
Derrick & Crystal Reeves Spring, Texas USA	USA	15,000 - .58% Common Stock

TOTAL SHARES	329,000
TOTAL PERCENTAGE STOCK	12.78%

Report Item 3(2)(a,b,c)

N/A

Form FR Y-6
County Bancshares, Inc.
Fiscal Year Ending December 31, 2020

Report Item 4

(1) Name, City, State,	(2) Principal Occupation if other than with Holding Company	(3)(a) Title & Position with Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (Include name of Business)	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names)	(4)(c) 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)
Carlos Vacek, Orange, TX USA	Retired Banker	Chairman of the Board, Director, Principal Securities Holder	Director (First State Bank of Texas) Director (County Bancshares, Inc)	Pevco, Partner JAB Legacy, Partner Magnolia Park, Mang Partner Vacek Family Ltd Prntsp, Mang Partner Park Central West, Partner JOC Railroad, Partner OCRE, Partner	6.798%	None	Pevco Ltd - 33.33% JAB Legacy - 33.33% Magnolia Park - 37.5% Vacek Family Limited Partnership - 64.4% Park Central West - 33% JOC Railroad - 50% OCRE - 33%
Damon Vacek, Orange, TX USA	Banker	Director, Principal Securities Holder	President, CEO, and Director (First State Bank of Texas) Director (County Bancshares, Inc.)	Vacek Ltd Prntsp, Member Twin Lakes Real Estate Dev, Manager DKSR Investments, Manager VP Capital, LLC	1.068%	None	Twin Lakes Real Estate Dev - 50% DKSR Investments - 50% VP Capital - 50%
Billy E. Burrow, Orange, TX USA	Retired Banker	Secretary Director	Secretary Director (First State Bank of Texas) Director (County Bancshares, Inc.)	Community Bank of Texas, Stockholder	2.136%	Community Bank of Texas - <1%	
Kyle Mott, Lumberton, TX USA	Retired Pipeline Maintenance	Director	Director (First State Bank of Texas) Director (County Bancshares, Inc.)	N/A	3.884%	None	None
Andrew Dunn, Orange, TX USA	Pallet Manufacturer	Director	Director (First State Bank of Texas) Director (County Bancshares, Inc.)	Dunn Pallet Company DBA Groves Pallet Company - President Acreland Investments Inc - President ACR LP - Partner Jacinto 2.0 LLC - Manager/Partner Jac-Min, LTD - Partner AKD Managers, LLC - President AKJ Dunn family Partners, LTD - Partner	4.078%	None	Dunn Pallet Company DBA Groves Pallet Company - 100% Acreland Investments Inc - 25% Jacinto 2.0 LLC - 50% ADK Managers, LLC - 50% - Spouse, Katherine Dunn - 50% AKJ Dunn family Partners, LTD - 50% - Spouse, Katherine Dunn - 50%
Thomas Rash, Vidor, TX USA	HVAC Install and Repair	Director	Director (First State Bank of Texas) Director (County Bancshares, Inc.)	Skatetown TX LLC - Owner TJS Property Management LLC - Member	4.078%	None	Skatetown TX LLC - 100% TJS Property Management LLC - 80%

(1) Name, City, State, Country	(2) Principal Occupation if other than with Holding Company	(3)(a) Title & Position with Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (Include name of Business)	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names)	(4)(c) 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)
William Appelt, Kerrville, TX USA	Retired Heavy Equipment Operator	Director	Director (First State Bank of Texas)	None	0.971%	None	None
James Appelt, Three Rivers, TX USA	Retired Attorney	Director	Director (First State Bank of Texas)	None	0.971%	None	None
Rodney Wieding, Three Rivers, TX USA	Banker	Director	Market President, Director (First State Bank of Texas) Board member for Forehand Title Management	None	0.194%	None	None
Roderick Fisette, Bridge City TX, USA	Retired Doctor	Director	Director (First State Bank of Texas) Director (County Bancshares, Inc.)	Community Bank of Texas, Stockholder	4.079%	Community Bank of Texas - <1%	
Shawn M. Sparrow, Beaumont, TX, USA	Real Estate Broker	Director	Director (First State Bank of Texas)	Kilimanjaro Corp, VP Kudu Limited II, Inc, VP Houseman Companies, VP Loving Acres, Inc., VP Houseman Development Co., VP Cloverleaf, Inc, VP Orange County Development Co, VP	1.165%	None	None
Kenneth & Leticia Vacek	Technology Specialist	Principal Securities Holder	None		1.17%		
Carla Towson	Teacher	Principal Securities Holder	None		0.97%		
Estate of William Mello	Deceased- Plumber	Principal Securities Holder	None		11.23%		
Carolyn Mello	Retired - Orange County Clerk Office	Principal Securities Holder	None		0.97%		
Derrick & Crystal Reeves	Project Manager for Cherne	Principal Securities Holder	None		0.58%		