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.

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.

Name of the Holding Company Director and Official President

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.

Signature of Holding Company Director and Official 03/02/2022

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.: ________________________________

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, 2021

Month / Day / Year

N/A

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

Reportor's Name, Street, and Mailing Address

Valley Mills Financial Corporation

P.O. Box 278

City

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

N/A

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

☐ No

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

☐ a letter justifying this request is being provided along with the report _____________________________

☐ 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.”

Public reporting burden for this information collection is estimated to vary from 13 to 101 hours per response, with an average of 5.50 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0397), Washington, DC 20503.

12/2019
Valley Mills Financial Corporation
P.O. Box 278
Valley Mills, Texas 76689

Federal Reserve Bank
FR Y-6 Report

December 31, 2021

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

Micah Boles, President / Director
<table>
<thead>
<tr>
<th>Date Action</th>
<th>Effective Date</th>
<th>Branch Service Type</th>
<th>Branch ID</th>
<th>RSSD</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>Country</th>
<th>Country Code</th>
<th>FDIC UNRURUS</th>
<th>Office Number</th>
<th>Head Office</th>
<th>Head Office ID</th>
<th>RSSD</th>
<th>Comments</th>
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<td>158951</td>
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<td>416 AVENUE C</td>
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<td>76889</td>
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<td>76834</td>
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<td>(1)(c) Number and Percentage of Each Class of Voting Securities</td>
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<td>(2)(b)</td>
<td>(2)(c) Number and Percentage of Each Class of Voting Securities</td>
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<td>John Gilliam Valley Mills, Texas</td>
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<tr>
<td>Phil Gilliam Valley Mills, Texas</td>
<td>US</td>
<td>2,756 shares 7.60%</td>
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<td>Names &amp; Address (City, State, Country)</td>
<td>Principal Occupation if other than with holding company</td>
<td>Title &amp; Position with holding company</td>
<td>Title &amp; Position with Subsidiaries (include names of subsidiaries)</td>
<td>Title &amp; Position with Other Businesses (include names of other businesses)</td>
<td>Percentage of Voting Securities in holding company</td>
<td>Percentage of Voting Securities in Subsidiaries (include names of voting securities held)</td>
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<td>John Gilliam Valley Mills, Texas</td>
<td>Banking</td>
<td>Director</td>
<td>First National Bank of Bosque County Vice Chairman Director</td>
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<td>Phil Gilliam Valley Mills, TX</td>
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<tr>
<td>Micah Boles Valley Mills, Texas</td>
<td>Banking</td>
<td>President Director</td>
<td>First National Bank of Bosque County President / CEO Director</td>
<td>None</td>
<td>7.60%</td>
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<td>Mark Gibson Waco, Texas</td>
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