Board of Governors of the Federal Reserve System

Annual Report of Holding Companies—FR Y-6

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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, Richard Hereford
Name of the Holding Company Director and Official

Secretary/Treasurer/Director
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.

Richard Hereford
Signature of Holding Company Director and Official

03/24/2017
Date of Signature

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2016
Month / Day / Year

None
Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

First Anderson Bancshares Inc
Legal Title of Holding Company

P O Box 159
(Mailing Address of the Holding Company) Street / P.O. Box

Anderson	TX	77830
City	State	Zip Code

1071 Highway 90 S
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Carolyn Ashorn	Asst Sec/Treas
Name	Title

936-873-2511
Area Code / Phone Number / Extension

936-873-2459
Area Code / FAX Number

ashorn@fnbanderson.com
E-mail Address

None
Address (URL) for the Holding Company's web page

For holding companies not registered with the SEC–
Indicate status of Annual Report to Shareholders:

- [x] 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 1108323
C.I.

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

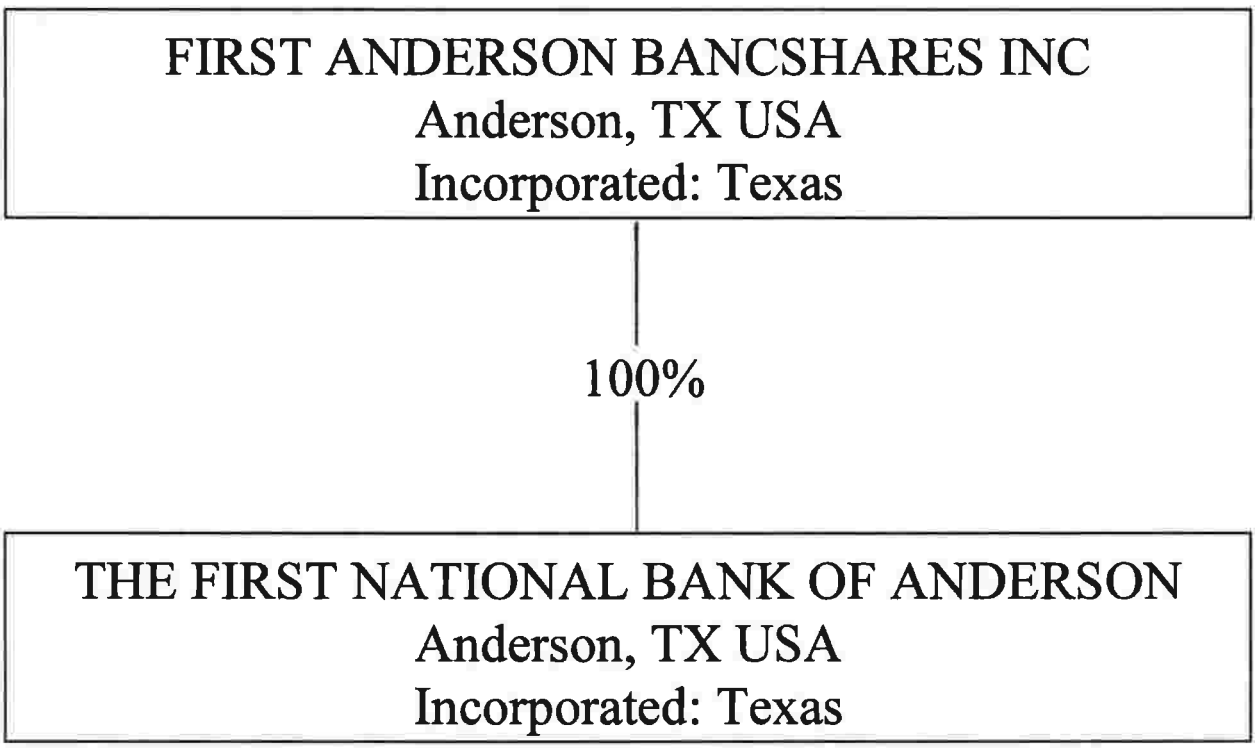
In accordance with the General Instructions for this report (check only one),

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."

Public reporting burden for this information collection is estimated to vary from 1.3 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 (7100-0297), Washington, DC 20503.

Report item 2a: Organizational Chart



NO LEGAL ENTITY IDENTIFIERS (LEI) ARE AVAILABLE

Results: A list of branches for your depository institution: FIRST NATIONAL BANK OF ANDERSON, THE (ID_RSSD: 362155)
This depository institution is held by FIRST ANDERSON BANCSHARES, INC. (1108323) of ANDERSON, TX.
The data are as of 12/31/2016. **Date reflects information that was received and processed through** 01/10/2017.

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)	362155	FIRST NATIONAL BANK OF ANDERSON, THE	1071 HIGHWAY 90 SOUTH	ANDERSON	TX	77830-0159	GRIMES	UNITED STATES	1957	0	FIRST NATIONAL BANK OF ANDERSON, THE	362155	
OK		Full Service	3742619	NAVASOTA BRANCH	9501 HIGHWAY 6	NAVASOTA	TX	77868	GRIMES	UNITED STATES	478462	2	FIRST NATIONAL BANK OF ANDERSON, THE	362155	

Report Item 3 (1): Securities holders

FIRST ANDERSON BANCSHARES INC.

PRINCIPAL SHAREHOLDERS
(Owns, controls, or holds with power to vote 5 percent or more)

NAME AND ADDRESS	CITIZENSHIP	SHARES OWNED	PERCENTAGE
Edward Earl Bay Austin, TX	U.S.A.	14,000	9.48%
Thomas Hulon Bay Houston, TX	U.S.A.	11,000	7.45%
William Elliott Bay Ridgefield, CT	U.S.A.	11,000	7.45%
Richard Hereford Anderson, TX	U.S.A.	11,304	7.66%
John Thomas Hurst Trustee The Hurst Exempt Marital Trust Austin, TX	U.S.A.	10,047	6.80%
John Thomas Hurst Austin, TX	U.S.A.	2,708 (1)	1.84%
Mary Elizabeth Hurst Austin, TX	U.S.A.	2,707 (1)	1.84%
Mary P Hurst Austin, TX	U.S.A.	4,930	3.34%
Evans Moody Farms, Ltd. Charlotte H Moody, Trustee Anderson, TX	U.S.A.	6,287	4.26%
Charlotte H Moody Anderson, TX	U.S.A.	2,695	1.83%
Morris Weaver Montgomery, TX	U.S.A.	15,258	10.33%

(1) - Adult child of Mary P Hurst, who resides at parent's residence

Report Item 3 (2): Securities holders

FIRST ANDERSON BANCSHARES INC.

PRINCIPAL SHAREHOLDERS
(Owns, controls, or holds with power to vote 5 percent or more)

NAME AND ADDRESS	CITIZENSHIP	SHARES OWNED	PERCENTAGE
NONE			

Report Item 4: Insiders

DIRECTORS, OFFICERS, PRINCIPALS
FIRST ANDERSON BANCSHARES, INC

(1) NAME/ADDRESS	(2) PRINCIPAL OCCUPATION	(3)(a) TITLE/POSITION WITH HOLDING COMPANY	(3)(b) TITLE/POSITION WITH SUBSIDIARY	(3)(c) TITLE/POSITION WITH OTHER BUSINESSES	(4)(a) PERCENTAGE VOTING SHARES	(4)(b) PERCENTAGE SUBSIDIARY	(4)(c) OTHER COMPANIES
Carolyn Ashorn Anderson, TX USA	N/A	Asst Sec/Treasurer Secretary to the Board	Sr V P & Cashier Secretary to the Board First National Bank, Anderson	N/A	.04%	None	N/A
Edward Earl Bay Austin, TX USA	Consulting Engineer	Principal	None	President Bay &Associates Inc Austin., TX	9.48%	None	Bay & Associates Inc 100%
Thomas Hulon Bay Houston, TX USA	Mechanical Engineer	Director Chairman of the Board	Director	Vice President Hines Houston, TX	7.45%	None	N/A
William Elliott Bay Ridgefield, CT USA	Research Chemist	Principal	None	Senior Director Mannkind Corporation Danbury, CT	7.45%	None	N/A
Joe King Fultz Navasota, TX USA	Retail Store Owner	None	Director	Secretary/Treasurer Turner, Pierce & Fultz Inc Navasota, TX	.07%	None	N/A
Richard Hereford Anderson, TX USA	N/A	Secretary/Treasurer Director	President & CEO Director First National Bank, Anderson	N/A	7.66%	None	N/A
Sharon Hurst Hibbert Houston, TX USA	Homemaker	Director	Director	Co-owner Fourteenth Street Co Austin, TX	1.84%	None	Fourteenth Street Co 25%

				Co-owner Tenth Street Properties LLC Austin, TX			Tenth Street Properties LLC - 33%
				Co-owner Fourteen Hundred Rio Grande LLC Austin, TX			Fourteen Hundred Rio Grande LLC - 33%
				Co-owner Robbins Place Properties LLC Austin, TX			Robbins Place Properties LLC - 33%
				Co-owner Loblolly Management Co Inc Austin, TX			Loblolly Management Co Inc - 33%
				Co-owner Hurst Farms LLC Austin, TX			Hurst Farms LLC - 33%
				Co-owner Hurst Sisters LLC Austin, TX			Hurst Sisters LLC - 50%
				Co-owner Whistling Pines Ltd Austin, TX			Whistling Pines Ltd - 50%
John Thomas Hurst** Austin, TX USA	Real Estate Investor	Principal	None	Co-owner Fourteen Street Co Austin, TX	1.84%	None	Fourteen Street Co - 25%
				Manager Tenth Street Properties LLC Austin, TX			Tenth Street Properties LLC - 33%
				President Fourteen Hundred Rio Grande LLC Austin, TX			Fourteen Hundred Rio Grande LLC - 33%
				Manager Robbins Place Properties LLC Austin, TX			Robbins Place Properties LLC - 33%

				President Hurst Farms LLC Austin, TX			Hurst Farms LLC - 33%
				Vice-President Loblolly Management Co Inc Austin, TX			Loblolly Management Co Inc - 33%
The Hurst Exempt Marital Trust John Thomas Hurst, Trustee Austin, TX USA	N/A	Principal	None	N/A	6.80%	None	N/A
Mary Elizabeth Hurst** Austin, TX USA	Attorney	Principal	None	Partner Hurst, Savage & Vanderburg LLP Austin, TX	1.84%	None	Hurst, Savage & Vanderburg, LLP - 33.3%
				Vice-President Fourteen Hundred Rio Grande LLC Austin, TX			Fourteen Hundred Rio Grande LLC - 33.3%
				Manager Tenth Street Properties LLC Austin, TX			Tenth Street Properties LLC - 33.3%
				Manager Robbins Place Properties LLC Austin, TX			Robbins Place Properties LLC - 33.3%
				President Loblolly Management Co Inc Austin, TX			Loblolly Management Co Inc - 33.3%
				Secretary Hurst Farms LLC Austin, TX			Hurst Farms LLC - 33.3%
				Vice-President Hurst Sisters LLC Austin, TX			Hurst Sisters LLC - 50%

				Partner Whistling Pines Ltd Austin, TX			Whistling Pines Ltd - 49%
Mary P Hurst Austin, TX USA	N/A	Principal	None	N/A	3.34%	None	N/A
Evans Moody Farms Ltd Charlotte Moody, Trustee Anderson, TX USA	N/A	Principal	None	N/A	4.26%	None	N/A
Charlotte Moody Anderson, TX USA	Homemaker	Principal	None	N/A	1.83%	None	N/A
Morris Weaver Montgomery, TX USA	Retired Apiarian	Director President	Director Chairman of the Board First National Bank, Anderson	N/A	10.33%	None	N/A

** - Adult children of J K and Mary P Hurst who reside at parent's residence.

First Anderson Bancshares, Inc. and Subsidiary
Consolidated Financial Statements
December 31, 2016 and 2015
(With Independent Accountant's
Compilation Report Thereon)

First Anderson Bancshares and Subsidiary

Consolidated Statements of Financial Condition

December 31, 2016 and 2015

	2016	2015
Assets		
Current assets:		
Cash	$ 35,308,972	43,694,502
Loans receivable net of allowance for loan losses of $1,494,642 in 2016 and $1,347,572 in 2015	94,589,371	85,177,095
Investments	31,318,640	42,825,770
Accrued interest receivable	665,712	726,336
Prepaid expenses and other assets	211,842	238,175
Total current assets	162,094,537	172,661,878
Fixed assets, net of depreciation	3,203,440	1,614,042
Other:		
Deferred income taxes	509,676	387,813
Prepaid life insurance	2,339,212	2,589,571
Goodwill	493,612	493,612
Total assets	$ 168,640,477	177,746,916
Liabilities and Stockholders' Equity		
Current liabilities:		
Deposits	$ 150,678,541	160,505,320
Accrued interest payable	25,929	34,778
Accrued liabilities	42,497	53,885
Total current liabilities	150,746,967	160,593,984
Stockholders' Equity:		
Capital stock	1,995,280	1,953,085
Retained earnings	16,265,903	15,441,526
Accumulated other comprehensive loss	(367,673)	(241,679)
Total stockholders' equity	17,893,510	17,152,932
Total liabilities and stockholders' equity	$ 168,640,477	177,746,916

See accompanying independent accountant's compilation report.

First Anderson Bancshares and Subsidiary

Consolidated Statements of Income

Years Ended December 31, 2016 and 2015

	2016	2015
Interest income	$ 6,155,150	5,994,626
Interest expense	511,900	651,606
Net interest income	5,643,250	5,343,020
Non-interest income	939,362	972,742
Non-interest expenses:		
Building and occupancy expense	746,416	586,837
Salaries, wages and benefits	2,649,471	2,572,551
Operating expenses	1,083,251	1,138,156
Other costs	209,721	224,136
Total non-interest expenses	4,688,859	4,521,680
Income before federal income taxes	1,893,753	1,794,082
Provision for income taxes	626,171	588,147
Net income	$ 1,267,582	1,205,936

Book Value:
2015 - 147,235 shares: $ 116.50
2016 - 147,735 shares: $ 121.12

See accompanying independent accountant's compilation report.