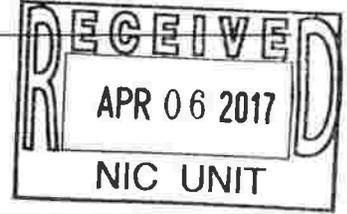


Board of Governors of the Federal Reserve System



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.

Date of Report (top-tier holding company's fiscal year-end):

December 31, 2016

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

I, J. Adam Russell

Name of the Holding Company Director and Official

Vice-President, Secretary & Treasurer

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.

Citadel Bancorp. Inc

Legal Title of Holding Company

PO Box 699

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

Burleson TX 76097

City State Zip Code

899 NE Alsbury (76028)

Physical Location (if different from mailing address)

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.

Person to whom questions about this report should be directed:

James E Sledge CPA

Name Title

817-594-2704

Area Code / Phone Number / Extension

817-599-7389

Area Code / FAX Number

james@gms-cpa.com

E-mail Address

www.firstburleson.com (subsidiary bank)

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

Signature of Holding Company Director and Official

3-29-2017

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 1130191
 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),

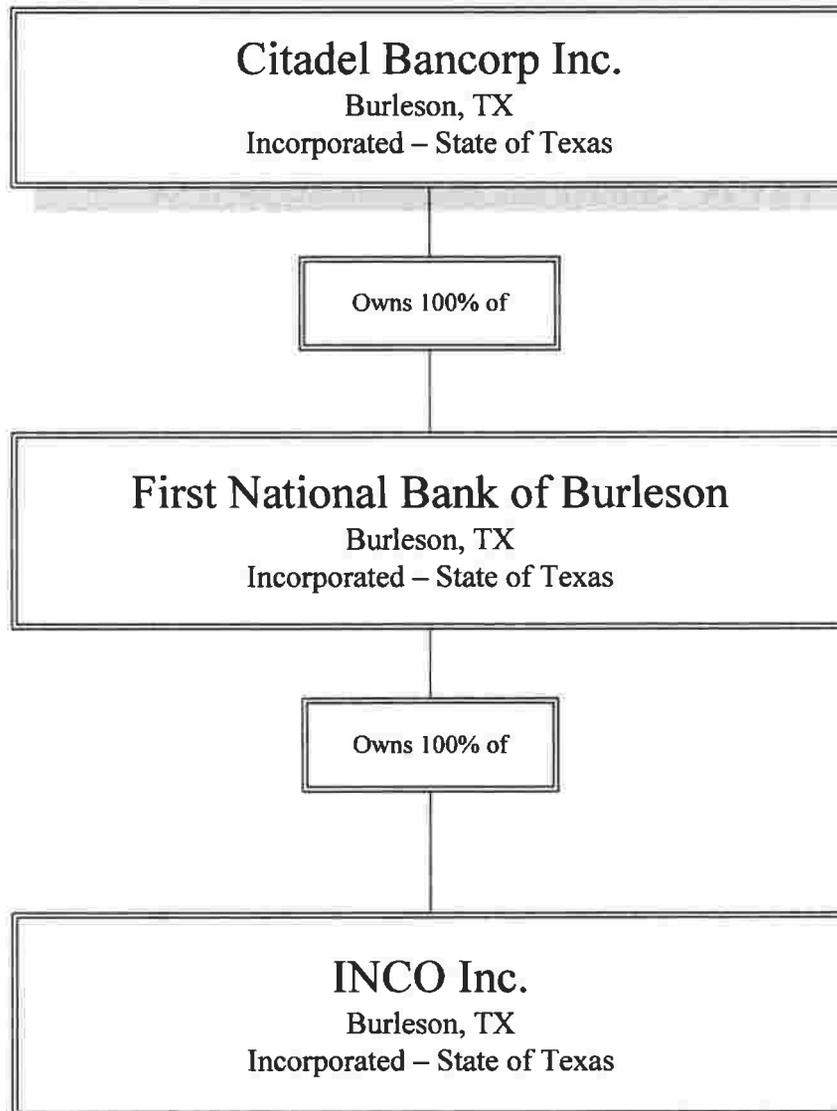
1. a letter justifying this request is being provided along with the report
 2. a letter justifying this request has been provided separately

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

Citadel Bancorp Inc.

Annual Report FR Y-6
Report Item 2a
Organization Chart
December 31, 2016

AMENDED
JUL 19 2017



No entity listed in the above Organization Chart has an LEI.

CITADEL BANCORP, INC.

Annual Report FR Y-6

Report Item 2b

Domestic Branch Listing

December 31, 2016

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 RSSD	Head Office ID RSSD*	Comments
OK		Full Service (Head Office)	240954	FIRST NATIONAL BANK OF BURLESON	899 NORTHEAST ALSBURY	BURLESON	TX	76028	TARRANT	UNITED STATES	16423	0	FIRST NATIONAL BANK OF BURLESON	240954	
OK		Full Service	3281716	WILSHIRE BRANCH	740 SW WILSHIRE BLVD	BURLESON	TX	76028	JOHNSON	UNITED STATES	419340	1	FIRST NATIONAL BANK OF BURLESON	240954	

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

CITADEL BANCORP, INC.

Annual Report FR Y-6

Report Item 3(1)

List of Shareholders of Record with Five Percent or More of Voting Stock

December 31, 2016

Name, City, State, Country 1(a)	Citizenship 1(b)	Shares Owned, Controlled or Held With Power to Vote **	
		Number 1(c)	Percent 1(c)
David E. Roberts Cleburne, TX, USA	USA	282,752	45.76%
James M. Russell Cleburne, TX, USA	USA	310,453	50.24%
J. Adam Russell Burleson, TX, USA	USA	12,358	2.00%
Erin Russell Cleburne, TX, USA	USA	12,358	2.00%

On December 31, 2012 James M. Russell gifted 12,358 share each to J. Adam Russell and Erin Russell. J. Adam Russell and Erin Russell are the adult children of James M. Russell hence we included in this report item.

** - Holding company only has 1 class of stock - Common Stock

CITADEL BANCORP, INC.

Annual Report FR Y-6

Report Item 3(2)

List of Shareholders of Record with Five Percent or More of Voting Stock

December 31, 2016

Name, City, State, Country 1(a)	Citizenship 1(b)	Shares Owned, Controlled or Held With Power to Vote **	
		Number 1(c)	Percent 1(c)
Not Applicable			

CITADEL BANCORP, INC.
 Annual Report FR Y-6
 Report Item 4
 Insiders
 December 31, 2016

(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	(3)(c) Title & Position with Other Business	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) Names of Other Companies & Percent of Voting Securities
James M. Russell Cleburne, TX, USA	Self-Employed	Director & Chairman	Director and Chairman (First National Bank of Burleson) Director (INCO Inc.)	N/A	50.24%	DQS (First National Bank of Burleson) DQS (INCO Inc.)	N/A
David E. Roberts Cleburne, TX, USA	Self-Employed	Director & President	Director (First National Bank of Burleson) Director (INCO Inc.)	N/A	45.76%	DQS (First National Bank of Burleson) DQS (INCO Inc.)	N/A
J. Adam Russell Burleson, TX, USA	Banker	Director Vice President, Treasurer, Secretary	Director, Senior Vice President & Secretary (First National Bank of Burleson) Secretary (INCO Inc.)	N/A	2.00%	DQS (First National Bank of Burleson) DQS (INCO Inc.)	N/A
Erin Russell Cleburne, TX, USA	Banker	Director	Director & Marketing Officer (First National Bank of Burleson) Treasurer (INCO Inc.)	N/A	2.00%	DQS (First National Bank of Burleson)	N/A

DQS - Director Qualifying Shares Only

CITADEL BANCORP, INC.

BURLESON, TEXAS

Item 1

PARENT ONLY FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

CITADEL BANCORP, INC.
BALANCE SHEETS
December 31, 2016 and 2015

	2016	2015
ASSETS		
Cash in bank	\$ 6,625	\$ 3,225
Investment in subsidiary bank		
Equity investments	16,369,090	16,165,008
Goodwill, net	4,613	4,613
Other assets	-	-
	\$ 16,380,328	\$ 16,172,846
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Note payable - TIB	\$ -	\$ 791,231
Total liabilities	-	791,231
STOCKHOLDERS' EQUITY		
Common stock, \$1.00 par value; 747,185 shares authorized, 617,921 shares issued and outstanding	747,185	747,185
Paid-in capital	3,641,411	3,641,411
Retained earnings	17,209,950	16,161,420
Accumulated other comprehensive income	(467,766)	(417,949)
	21,130,780	20,132,067
Treasury stock - at cost (129,264 shares in 2016 and 2015)	(4,750,452)	(4,750,452)
Total stockholders' equity	16,380,328	15,381,615
	\$ 16,380,328	\$ 16,172,846

CITADEL BANCORP, INC.
STATEMENTS OF INCOME
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Income		
Dividend income - subsidiary bank	\$ 1,935,000	\$ 2,160,000
Other income	-	-
	<u>1,935,000</u>	<u>2,160,000</u>
Expenses		
Interest expense	23,075	43,965
Professional fees	1,600	1,000
Management fees	60,000	60,000
	<u>84,675</u>	<u>104,965</u>
Income (loss) before federal income tax and equity in undistributed earnings of subsidiary	1,850,325	2,055,035
Federal income tax expense	-	-
Income (loss) before equity in undistributed earnings of subsidiary	<u>1,850,325</u>	<u>2,055,035</u>
Equity in undistributed earnings of subsidiary		
Subsidiary bank	253,899	54,378
NET INCOME	<u><u>\$ 2,104,224</u></u>	<u><u>\$ 2,109,413</u></u>

CITADEL BANCORP, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Net earnings	\$ 2,104,224	\$ 2,109,413
Adjustments to reconcile net earnings to net cash provided by operating activities		
Equity in earnings of subsidiary	(2,188,899)	(2,214,378)
Total adjustments	<u>(2,188,899)</u>	<u>(2,214,378)</u>
Net cash provided (used) by operating activities	<u>(84,675)</u>	<u>(104,965)</u>
Cash flows from investing activities		
Dividends received from bank subsidiary	1,935,000	2,160,000
Net cash provided by investing activities	<u>1,935,000</u>	<u>2,160,000</u>
Cash flows from financing activities		
Repayment of long-term debt	(791,231)	(463,836)
Dividends paid	(1,055,694)	(1,592,199)
Net cash used by financing activities	<u>(1,846,925)</u>	<u>(2,056,035)</u>
Net change in cash and cash equivalents	3,400	(1,000)
Cash and cash equivalents at beginning of year	3,225	4,225
Cash and cash equivalents at end of year	<u>\$ 6,625</u>	<u>\$ 3,225</u>
 Supplemental schedule of non-cash investing and financing activities		
Change in investment in bank subsidiary for unrealized depreciation on available-for-sale securities	\$ 49,817	\$ 149,200
Net change in stockholders' equity for unrealized depreciation on available-for-sale securities	\$ (49,817)	\$ (149,200)
 Cash paid during the year for		
Interest	\$ 23,075	\$ 43,965
Income taxes	\$ -	\$ -

CITADEL BANCORP, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
Years Ended December 31, 2016 and 2015

	Common Stock Shares	Amount	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity
Balances, January 1, 2015	747,185	\$ 747,185	\$ 3,641,411	\$ 15,644,206	\$ (268,749)	\$ (4,750,452)	\$ 15,013,601
Comprehensive income							
Net income				2,109,413			2,109,413
Other comprehensive income, net of tax							
Change in unrealized depreciation on available- for-sale securities					(149,200)		(149,200)
Total comprehensive income				(1,592,199)			(1,592,199)
Distributions of earnings							
Balances, December 31, 2015	747,185	747,185	3,641,411	16,161,420	(417,949)	(4,750,452)	15,381,615
Comprehensive income							
Net income				2,104,224			2,104,224
Other comprehensive income, net of tax							
Change in unrealized depreciation on available- for-sale securities					(49,817)		(49,817)
Total comprehensive income				(1,055,694)			(1,055,694)
Distributions of earnings							
Balances, December 31, 2016	747,185	\$ 747,185	\$ 3,641,411	\$ 17,209,950	\$ (467,766)	\$ (4,750,452)	\$ 16,380,328