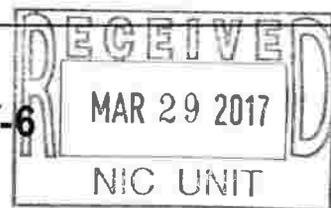


Board of Governors of the Federal Reserve System



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)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11(a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)) and section 10(c)(2)(H) of the Home Owners' Loan Act. 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 and top-tier savings and loan 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.

I, George Brannies
 Name of the Holding Company Director and Official
Chairman
 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]
 Signature of Holding Company Director and Official
3/28/17
 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 3026896
 C.I. _____

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
Mason Bank Employee Stock Ownership
 Legal Title of Holding Company Plan & Trust
PO Box 1789
 (Mailing Address of the Holding Company) Street / P.O. Box
Mason TX 76856
 City State Zip Code
111 Westmoreland, Mason, Tx 76856
 Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Ray Geistweidt CPA
 Name Title
830-997-7651
 Area Code / Phone Number / Extension
830-997-9013
 Area Code / FAX Number
gcocpa@austin.rr.com
 E-mail Address
 Address (URL) for the Holding Company's web page

Does the reporter request confidential treatment for any portion of this submission?
 Yes Please identify the report items to which this request applies:
 In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.
 The information for which confidential treatment is sought is being submitted separately labeled "Confidential."
 No

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.

Mason Bancshares, Inc.
Legal Title of Subsidiary Holding Company
P O Box 1789
(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box
Mason Tx 76856
City State Zip Code
111 Westmoreland, Mason, Tx 76856
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)

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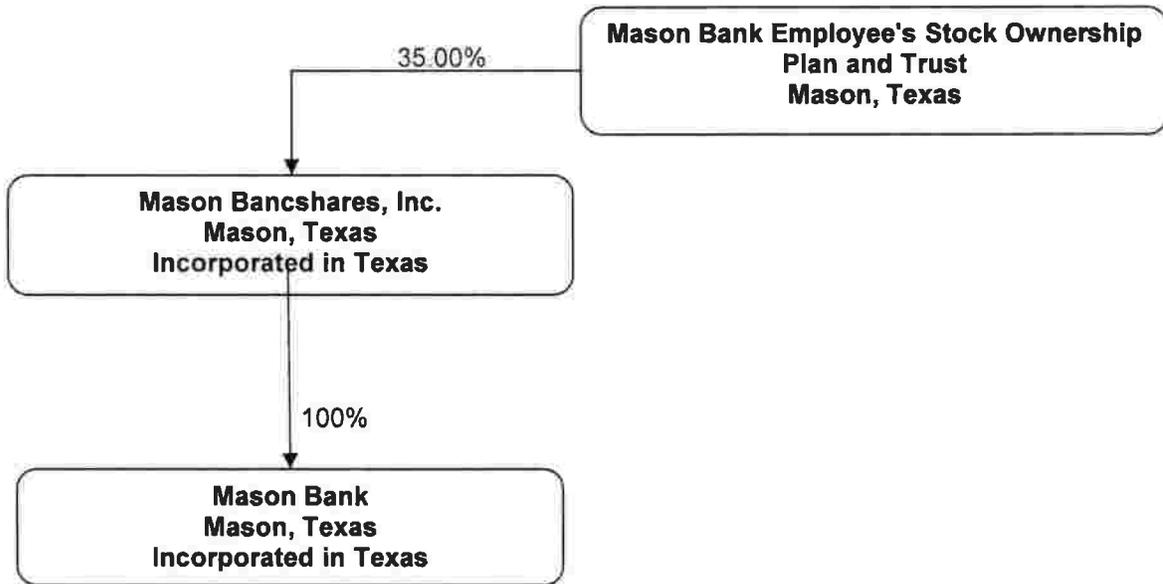
Form FR Y-6

**Mason Bank Employee's Stock Ownership Plan and Trust
Mason, Texas
Fiscal Year Ending December 31, 2016**

Report Item

1: The holding company prepares an annual report for its shareholders.
A copy is enclosed.

2: Organization Chart



* No Entity has an LEI

**FR Y-10 for the small change in ownership will be forwarded soon.

Results: A list of branches for your holding company: MASON BANK EMPLOYEE'S STOCK OWNERSHIP PLAN AND TRUST (3026896) of MASON, TX. The data are as of 12/31/2016. Data 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	12/31/2016	Full Service (Head Office)	368054	MASON BANK	111 WESTMORELAND STREET	MASON	TX	76856	MASON	UNITED STATES	2153	0	MASON BANK	368054			

FORM FR Y-6

**Mason Bank Employee's Stock Ownership Plan and Trust
Fiscal Year Ending December 31, 2016**

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

Current Shareholder with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12/31/2016	Shareholders 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 12/31/2016		
(1)(a) Name and 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 and Address (City, State, Country)
George Brannies Mason, TX 76856	USA	11.67% 6,773 shares	(2)(b) Country of Citizenship or Incorporation
NONE	NONE	NONE	(2)(c) Number and Percentage of Each Class of Voting Securities

MASON BANCSHARES, INC

FORM FR Y-6

Fiscal Year Ending December 31, 2016

Report Item 3: Shareholders

(1)(a)(b)(c) and (2)(a)(b)(c)

Shareholders 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 12/31/2016

Current Shareholder with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12/31/2016

(1)(a) Name and 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 and Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
George Brannies Mason, TX 76856	USA	6,773 shares 11.67%	NONE	NONE	NONE
Mason Bank ESOP and Trust Mason, TX 76856	USA	20,865 shares 35.94%			
Connie McLean Abilene, TX 79606	USA	3,550 shares 6.11%			
Amy L. Capps Mason, TX 76856	USA	3,600 shares 6.20%			

FORM FR Y-6

**Mason Bank Employee's Stock Ownership Plan and Trust
Fiscal Year Ending December 31, 2016**

Report Item 4: Insiders

(1), (2), (3)(a)(b)(c) and (4)(a)(b)(c)

(1) Names and Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title and Position with Bank Holding Company	(3)(b) Title and Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title and 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)
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George Brannies
Mason, TX 76856

N/A

Trustee

Chairman,
Mason Bank &
President
Mason Bancshares
Inc.

N/A

11.67%

11.67%

N/A

MASON BANCSHARES, INC

FORM FR Y-6

Fiscal Year Ending December 31, 2016

Report Item 4: Insiders

(1), (2), (3)(a)(b)(c) and (4)(a)(b)(c)

(1) Names and Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title and Position with Bank Holding Company	(3)(b) Title and Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title and 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)
George Brannies Mason, TX 76856	N/A	President	Chairman/Director, Mason Bank Trustee, Mason Bank Employee's Stock Ownership Plan and Trust	N/A	11.67%	0.00%	N/A
Ray Geistweidt Fredericksburg, TX 78624	CPA	Director	Director	Owner Geistweidt & Company P.C. CPA	0.00%	0.00%	100% Geistweidt & Company P.C. CPA
Mason Bank ESOP and Trust George Brannies, Trustee Mason, TX 76856	N/A	N/A	N/A	N/A	35.94%	0.00%	N/A
Amy L. Capps Mason, TX 76856	Rancher	Director	Director	Capps Ranch, Owner	6.20%	0.00%	N/A
Thomas Canfield, Jr Mason, TX 76856	N/A	Secretary	President/Director, Mason Bank	N/A	2.33%	0.00%	N/A
Connie Stockbridge Mason, TX 76856	N/A	Director	Executive Vice Pres/Director, Mason Bank	N/A	0.69%	0.00%	N/A

**2016
SHAREHOLDER MEETING
INFORMATION PACKET**

Mason Bancshares, Inc.



MASON BANCSHARES, INC.

A Texas Corporation

GEORGE BRANNIES
Chairman

Post Office Box 1789
Mason, Texas 76856
325-347-5911
Direct 325-347-5913
FAX 325-347-8103
gb@masonbank.com

January 26, 2016

TO ALL SHAREHOLDERS OF MASON BANCSHARES, INC.

The annual shareholders meeting will be held on the 9th day of February, 2016 at 10 a.m. in the Community Room. There will be considered such business as may properly come before the meeting, including the election of Directors for the coming year.

The year-end Balance Sheet, Statement of Earnings, Reconciliation of Capital Accounts and Proxy Statement are enclosed for your review. Please sign the proxy and return it in the enclosed postage paid envelope. In the event that you are present at the meeting, you may withdraw your proxy and vote in person if you wish. It is very important that these proxies be returned so that we can conduct the business of this annual meeting.

We look forward to seeing you on the 9th of February. Our Board and Officers will welcome any questions you might have regarding the bank's operation.

Respectfully,



George Brannies
Chairman

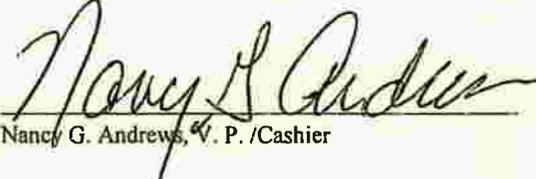
Encls

MASON BANCSHARES, INC.
Mason, Texas

BALANCE SHEET
12/31/2015
(In thousands of dollars)

<u>ASSETS:</u>	<u>2014</u>	<u>2015</u>
Cash and Due from Banks	1,168	2,157
Securities	64,177	67,728
Fed Funds Sold and Sec. Purchased under Agreements to Resell	-0-	-0-
Loans, Total (excluding unearned income)	37,845	41,356
Past Due and 90 Days or More and Accruing	15	27
Non-accrual	0	161
Less: Reserve for Possible Loan Losses	(857)	(877)
Loans, Net	36,988	40,479
Bank Premises, Furniture & Fixtures, and Other Assets Representing Bank Premises	684	683
Other Real Estate	0	0
Other Assets	1,346	2,124
TOTAL ASSETS	\$104,363	\$113,171
 <u>LIABILITIES:</u>		
Demand Deposits of Individuals, Partnerships, and Corporations	21,796	30,549
Time and Savings Deposits of Individuals, Partnerships, and Corporations	52,429	56,408
Deposits of U.S. Government	19	18
Deposits of States and Political Subdivisions	1,487	847
Total Demand Deposits	21,796	30,549
Total Time and Savings Deposits	53,935	57,273
TOTAL DEPOSITS	\$75,731	\$87,822
Fed Funds Purchased and Sec. Sold under Agreement to Repurchase	6,650	3,000
Other Borrowed Money	2,654	2,379
All Other Liabilities	37	27
TOTAL LIABILITIES	\$85,072	\$93,228
 <u>EQUITY CAPITAL ACCOUNTS:</u>		
Common Stock		
No. Shares Authorized	58,062	
No. Shares Outstanding	58,062	
(Par Value)	290	290
Surplus	1,000	1,000
Undivided Profits & Reserve for		
Contingencies & Other Capital Reserves	16,884	17,743
Net Unrealized Gain/(Loss) on Marketable Securities	1,117	910
TOTAL EQUITY CAPITAL	\$19,291	\$19,943
TOTAL LIABILITIES AND EQUITY CAPITAL	\$104,363	\$113,171

This statement has been reviewed by me personally and I hereby attest to the correctness of the information contained herein.


Nancy G. Andrews, V. P. /Cashier

MASON BANCSHARES, INC.

Mason, Texas

Reconciliation of Equity Capital Accounts
(In thousands of dollars)

	<u>2014</u>	<u>2015</u>
Balance beginning of previous year	17,844	19,291
Restatements due to prior year adjustments	-0-	(25)
Net income (Loss)	1,551	1,432
Sale, conversion, acquisition, or retirement of capital stock	-0-	-0-
Less: Cash dividends declared on common stock	(608)	(548)
Change in net unrealized Gain/(Loss) on marketable securities	<u>504</u>	<u>(207)</u>
Balance end of current year	19,291	19,943

Reconciliation of Reserve for Possible Loan Losses
(Valuation Reserve) (In thousands of dollars)

	<u>2014</u>	<u>2015</u>
Balance beginning of period	860	857
Recoveries credited to reserve	13	37
Losses charged to reserve	(16)	(17)
Provision for loan and lease losses	<u>0</u>	<u>0</u>
Balance end of period	857	877

This statement has been reviewed by me personally and I hereby attest to the correctness of the information contained herein


Nancy G. Andrews
V. P. /Cashier

MASON BANCSHARES, INC.
Mason, Texas

STATEMENT OF EARNINGS
FOR THE YEAR ENDING DECEMBER 31, 2015
(In thousands of dollars)

	2014	2015
OPERATING INCOME:		
Interest and fees on loans	2,478	2,417
Income on Federal Funds sold and securities purchased under agreements to resell in domestic offices	0	3
Interest on U.S. Treasury securities & on obligations of other U.S. Government agencies and corporations	1,283	1,395
Provision for loan and lease losses	0	0
Realized gains (losses) on held to maturity securities	0	0
Service charges on deposit accounts	265	291
Other income	76	70
TOTAL INCOME	\$4,102	\$4,176
 OPERATING EXPENSES:		
Salaries and employee benefits	1,429	1,511
Interest time certificates of deposit of \$100,000. or more issued by domestic offices	23	37
Interest on other deposits	67	50
Expense on Federal Funds purchase and securities sold under agreements to repurchase	5	3
Interest on other borrowings	181	162
Occupancy expense of bank premises, & furniture and equipment expense	299	312
Other expenses	547	669
TOTAL EXPENSE	\$2,551	\$2,744
 Income before income taxes & other adjustments	1,551	1,432
NET INCOME	1,551	1,432
 EARNINGS PER COMMON SHARE:	26.71	24.66

This statement has been reviewed by me personally and I hereby attest to the correctness of the information contained herein.



 Nancy G. Andrews, V. P. /Cashier

MASON BANCSHARES, INC.
Mason, Texas

PROXY STATEMENT

The number of shares of common stock outstanding and entitled to vote at the annual shareholders meeting is 58,062. Only those shareholders of record at the close of business on December 31, 2015 shall be entitled to vote.

Election of Directors:

The Articles of Association provide that the number of directors to be elected at the shareholders meeting will be determined by the vote of the shareholders.

The persons named below will be nominated for election to serve until the 2017 annual meeting of shareholders. It is the intention of the persons named in the proxy to vote for the motion establishing the number of directors at six and for the election of the following nominees:

Name

Ray Geistweidt

Charles H. Pluenneke

Amy Capps

George Brannies

Thomas H. Canfield, Jr.

Connie Stockbridge