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.

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. Jonathan Morris

Name of the Holding Company Director and Official

Director and 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

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

RSSID ID: 383136265
C.I. 

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

BMC Bancshares, Inc.

Legal Title of Holding Company

3100 Monticello Avenue, Suite 400

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

Dallas

TX

75205

City

State

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Jonathan Morris

Name

Director and President

Title

214-526-7178

Area Code / Phone Number / Extension

Area Code / FAX Number

imorris@titanbank.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

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."
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.

<table>
<thead>
<tr>
<th>Legal Title of Subsidiary Holding Company</th>
<th>Legal Title of Subsidiary Holding Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</td>
<td>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</td>
</tr>
<tr>
<td>City</td>
<td>State</td>
</tr>
<tr>
<td>Physical Location (if different from mailing address)</td>
<td>Physical Location (if different from mailing address)</td>
</tr>
<tr>
<td>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</td>
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<td>City</td>
<td>State</td>
</tr>
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<td>Physical Location (if different from mailing address)</td>
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<td>State</td>
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<td>Physical Location (if different from mailing address)</td>
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<tr>
<td>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</td>
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</tr>
<tr>
<td>City</td>
<td>State</td>
</tr>
<tr>
<td>Physical Location (if different from mailing address)</td>
<td>Physical Location (if different from mailing address)</td>
</tr>
</tbody>
</table>
Report Item
1. The bank holding company prepared an annual report for its securities holders. A copy is enclosed.

2. Organizational Chart

BMC Bancshares, Inc.
Dallas, Texas
Incorporation - State of Texas
LEI: None

100%

Titan Bank, N.A.
Mineral Wells, Texas
Incorporation - United States
LEI: None
Form FR Y-6  
BMC BANCSHARES, INC.  
Fiscal Year Ending December 31, 2016

Report Item 3: Securities Holders  
(1)(a)(b)(c) and (2)(a)(b)(c)

<table>
<thead>
<tr>
<th>Name, City, State, Country</th>
<th>Country of Citizenship of Incorporation</th>
<th>Number and Percentage of Each Class of Voting Securities</th>
<th>Number and Percentage of Each Class of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jonathan Morris, Dallas, Texas, USA</td>
<td>USA</td>
<td>2355 or 25.80%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>Carl Esrey, Dallas, Texas, USA</td>
<td>USA</td>
<td>4666 or 51.12%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>Stewart McCray, Dallas, Texas, USA</td>
<td>USA</td>
<td>477 or 5.23%</td>
<td>Common Stock</td>
</tr>
</tbody>
</table>

Securities holders 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

<table>
<thead>
<tr>
<th>Name, City, State, Country</th>
<th>Country of Citizenship of Incorporation</th>
<th>Number and Percentage of Each Class of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>
# BMC BANCSHARES, INC.
## Fiscal Year Ending December 31, 2016
### Report Item 4: Insiders

<table>
<thead>
<tr>
<th>Name</th>
<th>City, State Country</th>
<th>Principal Occupation if other than with Bank Holding Company</th>
<th>Title &amp; Position with Bank Holding Company</th>
<th>Title &amp; Position with Subsidiaries (include names of subsidiaries)</th>
<th>Title &amp; Position with Other Businesses (include names of other businesses)</th>
<th>Percentage of Voting Shares in Bank Holding Company</th>
<th>Percentage of Voting Shares in Subsidiaries (Include names of subsidiaries)</th>
<th>List names of other companies (includes partnership) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carl Esrey</td>
<td>Dallas, Texas USA</td>
<td>N/A</td>
<td>Director</td>
<td>Chairman - BMC Bancshares</td>
<td>N/A</td>
<td>51.12%</td>
<td>N/A</td>
<td>Bonilla Esrey Investments (50%) Spear Capital (50%) BMC Capital, LP (100%) Paramount wholesale lending (50%) CEE Investments, LLC (100%) Astoria Park Manager (37%) BF Tyres (50%) Take 5 Management LLC 100% Bonilla Esrey LLC (50%) EJ Horsham LLC (57%) Blue Jacket Mgr 50% Blue Jacket LP 87.5% Monticello Seeder LLC 33% CEAI Boston Store Mgr. 37% CEAI Old Orchard Mgr 37% CEAI Sycamore Mgr LLC 37.5% CEAI Rolling Meadows Mgr 37.5% CEAI Richmond Commons 37.5% BMC Advisory Services, LLC 100% Pints Quarts 30%</td>
</tr>
<tr>
<td>Jonathan Morris</td>
<td>Dallas, Texas USA</td>
<td>N/A</td>
<td>Director &amp; President</td>
<td>Limited Partner - Oak Country Estates</td>
<td>N/A</td>
<td>25.80%</td>
<td>N/A</td>
<td>Oak Country Estates VIII Investors (25%) Paramount Wholesale Lending LLC (25%) Extonlsis LLC 100%</td>
</tr>
<tr>
<td>Steve McDonald</td>
<td>Dallas, Texas USA</td>
<td>Bank President</td>
<td>Director</td>
<td>President &amp; CEO</td>
<td>N/A</td>
<td>0.01%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>December 31, 2016 (000's)</td>
<td>December 31, 2015 (000's)</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$ 7,183</td>
<td>$ 3,277</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits in Other Banks</td>
<td>13,842</td>
<td>11,032</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment Securities</td>
<td>19,019</td>
<td>11,591</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential Properties</td>
<td>13,885</td>
<td>8,180</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-Family</td>
<td>5,738</td>
<td>2,906</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Farm Owner Occupied</td>
<td>16,064</td>
<td>14,915</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Place</td>
<td>6,439</td>
<td>11,840</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>10,755</td>
<td>10,781</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for Loan Losses</td>
<td>(706)</td>
<td>(660)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans, Net</td>
<td>52,175</td>
<td>47,962</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Assets</td>
<td>6,875</td>
<td>6,559</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>$ 99,094</td>
<td>$ 80,421</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Stockholder's Equity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>$ 74,403</td>
<td>$ 59,507</td>
</tr>
<tr>
<td>Other Borrowings (1)</td>
<td>13,525</td>
<td>11,525</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>373</td>
<td>580</td>
</tr>
<tr>
<td>Stockholder's Equity</td>
<td>10,793</td>
<td>8,809</td>
</tr>
<tr>
<td></td>
<td>$ 99,094</td>
<td>$ 80,421</td>
</tr>
</tbody>
</table>
Related companies of BMC Bancshares, Inc.

BMC Bancshares, Inc.
Dallas, TX 75205
Incorporated - State of Texas
Business activity: Holding company of Titan Bank

Titan Bank, N.A.
Mineral Wells, TX 76067
Business activity: Commercial Bank

BMC Capital, L.P.
Dallas, TX 75205
Incorporated - State of Texas
Business activity: Commercial real estate lender and mortgage financer
TITAN Bank

Mineral Wells Branch
1701 E. Hubbard Street
Mineral Wells, TX 76067
(940)325-9821 | Fax (940)325-3871

Graford Branch
200 Main Street
Graford, TX 76449
(940)664-2255 | Fax (940)664-5241

OFFICERS:

Steve McDonald, President & CEO
Bill Woodard, Chief Credit Officer
Deborah Hendrix, CFO (1)
Dacey Malone, Executive Vice President, Cashier and Controller
Tara Campbell, Executive Vice President of Loan Operations
Marla Mallery, Vice President
Max Balsley, Vice President
Jena Choi, Vice President
Pam Carter, Assistant Cashier
Sarah Baker, Assistant Cashier

DIRECTORS:

Carl Esrey, Chairman
Jonathan Morris
Tommy Michaels
Don Crawford
Steve McDonald

(1) As of February 7, 2017, employment ceased with Titan Bank.
March 16, 2017

NIC Unit, Statistics Department
Federal Reserve Bank of Dallas
2200 North Pearl Street
Dallas, Texas 75201-2216

RE:  BMC Bancshares, Inc.

Dear Sir or Madam:


If you need further information or have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Dacey R. Malone
Executive Vice President / Cashier

Enclosures