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.

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, Will S. Moursund
Name of the Holding Company Director and Officer

Vice 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

RSSD ID: 1237447
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, 2017
Month / Day / Year

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

Arrowhead Company
Legal Title of Holding Company

P.O. Box 1
(Mailing Address of the Holding Company) Street / P.O. Box
Round Mountain TX 78663
City State Zip Code

10603 US HWY 281 N, Round Mountain, TX 78663
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Rory Boatright
Controller

Name
830/825-3236
Area Code / Phone Number / Extension
830/825-3352
Area Code / FAX Number
rory@boatrightcpa.com
E-mail Address
www.arrowheadbanktexas.com
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),
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."

03/2018
Report Item:

1: The Bank Holding Company does not prepare an annual report for its shareholders.

2a: Organization Chart

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ARROWHEAD COMPANY
LEI: None
Round Mountain, TX
Incorporated in Texas

<table>
<thead>
<tr>
<th>Arrowhead Bank</th>
<th>Arrowhead Oklahoma Cattle Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEI: None</td>
<td>LEI: None</td>
</tr>
<tr>
<td>Llano, TX</td>
<td>Burbank, OK</td>
</tr>
<tr>
<td>Incorporated in Texas</td>
<td>Incorporated in Oklahoma</td>
</tr>
</tbody>
</table>

100%                     100%
```

NOTE: All corporations are domestic corporations.

Report Item

3(1): Five per cent (5%) or greater shareholders (Only one class of stock outstanding):

<table>
<thead>
<tr>
<th>COUNTRY OF CITIZENSHIP</th>
<th>NUMBER OF SHARES</th>
<th>PERCENTAGE OF SHARES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mary M. Moursund</td>
<td>USA</td>
<td>50</td>
</tr>
<tr>
<td>Llano, TX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Will S. Moursund</td>
<td>USA</td>
<td>50</td>
</tr>
<tr>
<td>Round Mountain, TX</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3(2): No other person or entity owned five per cent (5%) or more of the stock during the fiscal year.
Red-Eye Shops, Inc.
Kanichiader Corporation
Southwest Mountain Corporation
May S. Mountain LLC Co
Mountain Law Offices, P.C.
Arrowhead Bank, Inc.
Arrowhead Insurance, Inc.
Arrowhead West, Inc.

Corporations:
General Partner;

PartnerShip
50% Southwest Mountain Limited

Form FR V-6

Report Item: Insiders (Page 2 of 3)

Fiscal Year Ending December 31, 2017
Round Mountain, Texas
Arrowhead Company

[Table with data]

% of Class

Name and Address

[Names and addresses of individuals]
Fiscal Year Ending December 31, 2017

Round Mountain, Texas

Arrowhead Company

Form FR-Y-6