

**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, 2017**

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

I, **James C. Thomas**

Name of the Holding Company Director and Official

**Chairman**

Title of the Holding Company Director and Official

**Security Star Bancshares, Inc.**

Legal Title of Holding Company

**600 N. Marienfeld, Suite 100**

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

**Midland**

**TX**

**79701**

City

State

Zip Code

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.

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:

**Lindsay Ridgeway**

**VP/Controller**

Name

Title

**432-620-6552**

Area Code / Phone Number / Extension

**432-368-3709**

Area Code / FAX Number

**lridgeway@mysbank.com**

E-mail Address

**None**

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

Signature of Holding Company Director and Official  
**03/28/2018**

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 \_\_\_\_\_

C.I. \_\_\_\_\_

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

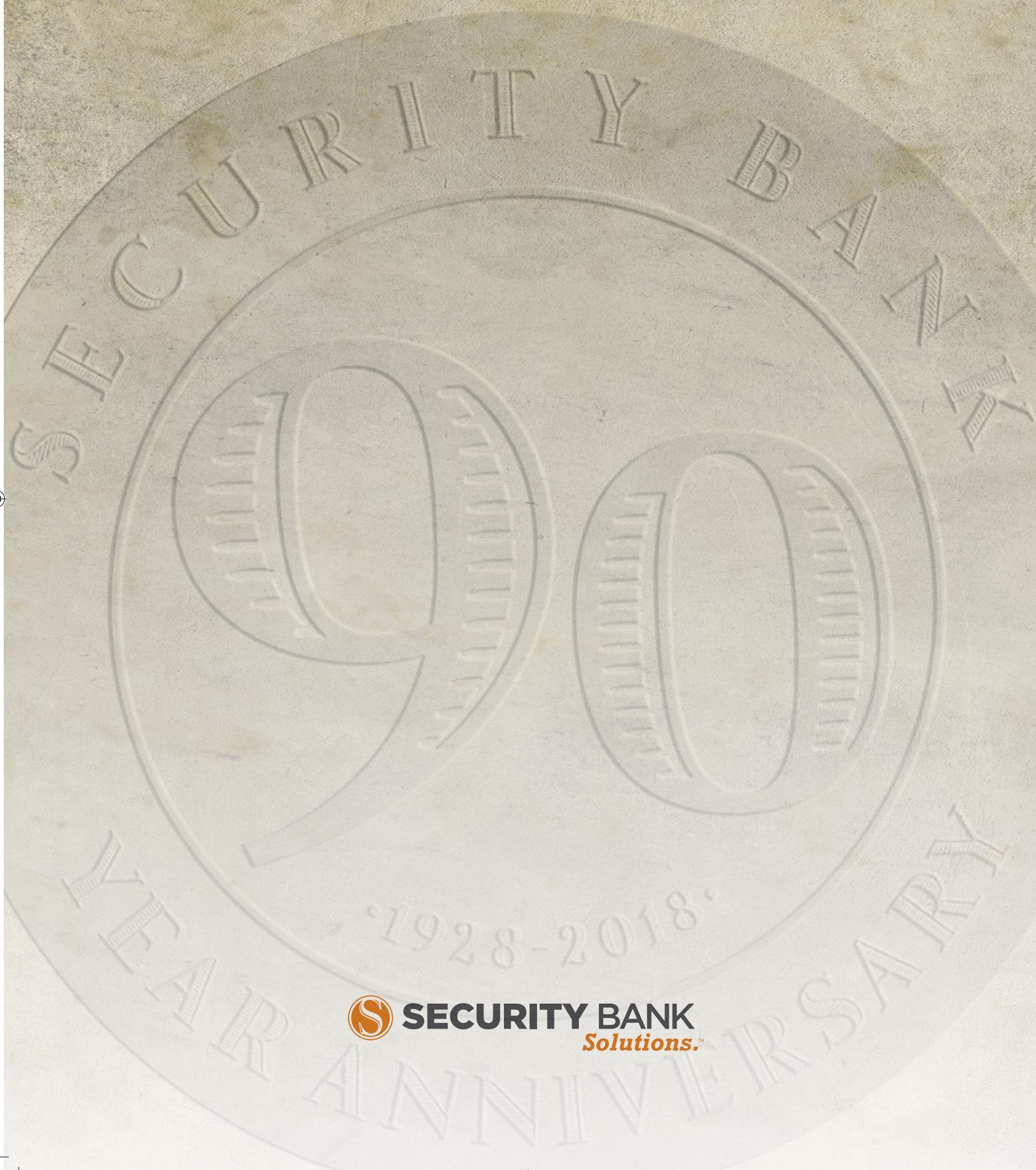
In accordance with the General Instructions for this report (check only one),

- 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."



SECURITY STAR BANCSHARES | 2017 ANNUAL REPORT



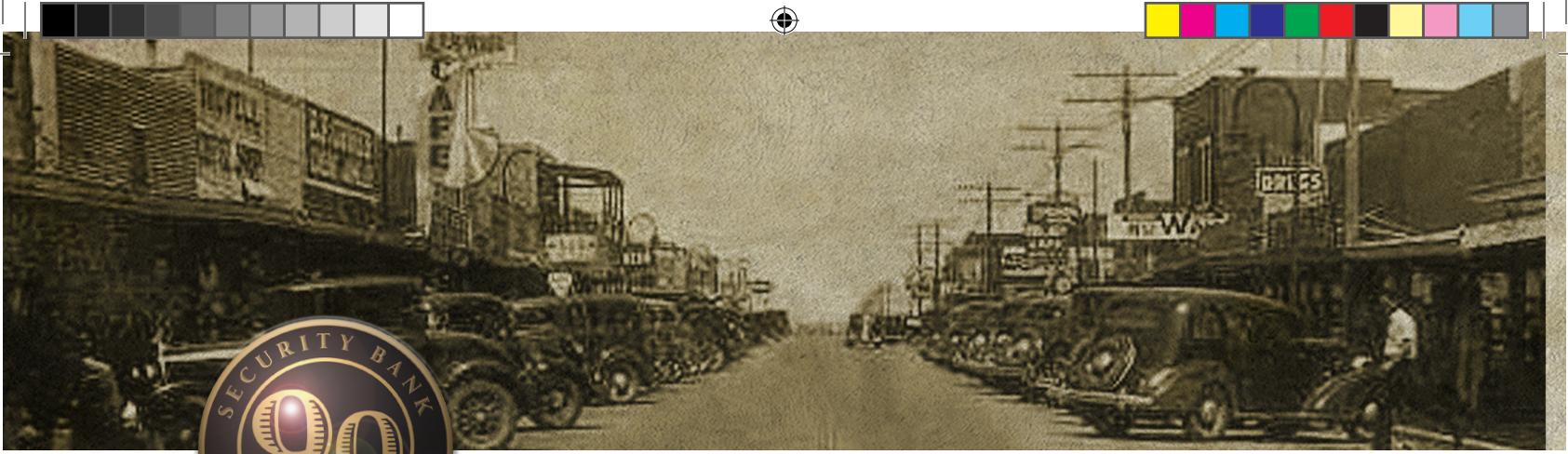
 **SECURITY BANK**  
*Solutions.*<sup>™</sup>



## Mission Statement:

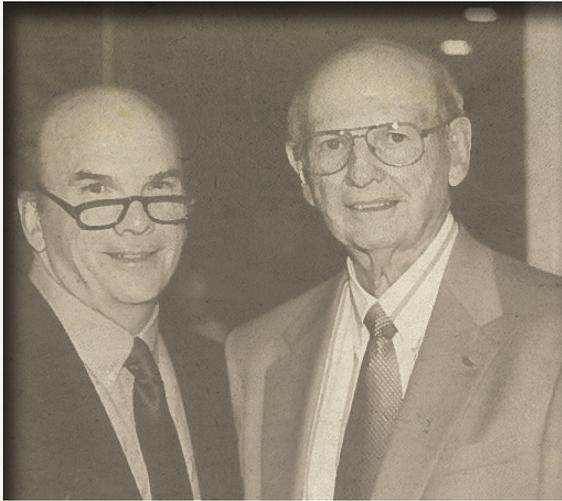
We will be extraordinary-delivering solutions with absolute integrity and extreme professionalism while building deep, meaningful, life-long relationships.





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## SHAREHOLDER LETTER

### WE HAVE STOOD THE TEST OF TIME.

As we celebrate our 90th anniversary this year, I reflect on both the many positive events that have taken place and also the challenges we have weathered. During these years, the bank has grown from one location and 8 employees to 11 locations and 150 employees in West Texas and San Antonio. In addition, the asset size of the bank has grown to a high of \$940 million and with the recent downturn currently is \$800 million, with our Capital at \$100 million.

Further, there have been many external life changing events that the bank has endured over the past 90 years (The Great Depression, World Wars, oil busts, financial downturns, terrorism, national and global conflicts). The bank's leaders, during each of those periods have had to navigate difficult times. That is no different than where we find ourselves today, given the volatility that still exists with today's global, political and economic climates - especially the regional impact of oil price fluctuations.

### Rebuilding our Bank.

2017 was a year full of progress. As I stated in my message for the 2016 report, there were many bank weaknesses identified and several changes that needed to occur in order to rebuild the bank. These included: Making key hires, revamping loan operations and strengthening our credit policy, decreasing our assets, loans, and deposits to de-risk the bank, focusing on growth in the San Antonio market which decreases the concentration of oil and gas loans, increasing the bank's allowance for loan losses, and engaging consultants to help guide us in areas that needed change. I am pleased to report that our last review from the examiners was extremely positive, confirming that we have implemented the necessary measures to get the bank to where it needs to be.

Further, to stay on track with the Bank's strategic long-term goals and to continue the Bank's path of moving forward, the Bank made the decision to sell its Spring Branch location in May 2017, as well as one of its subsidiaries, Vertex Financial, Inc. in the fourth quarter of 2017. Like all of our decisions, these were done after careful consideration to ensure that they would provide long-term positive impact to the Bank's financials, employees and shareholders.

### **Our Future.**

We've stood the test of time as we survived the storm of economic instability and now are in a position to strategically move forward and focus our efforts on increasing revenue. Today's environment is robust and our customers are once again reaping its benefits. It's during these times however that we must remain disciplined in order to prepare for the next oil patch bust, as it is inevitable the price will drop again. I am confident that the changes we have made have prepared us to weather any difficult times that are sure to come our way.

Overall, we are headed in a positive direction. During 2018 and the years to come, I look forward to our shareholders, employees and customers reaping the rewards for all of the hard work, toil, and sweat that has gone into this organization by many individuals. Further, as we celebrate our 90th anniversary this year, what a better time to reflect on the many varied accomplishments and journeys Security Bank has experienced.

Thank you for your continued patience, encouragement, and support during these past two years.

James C. Thomas  
Chairman of the Board and CEO

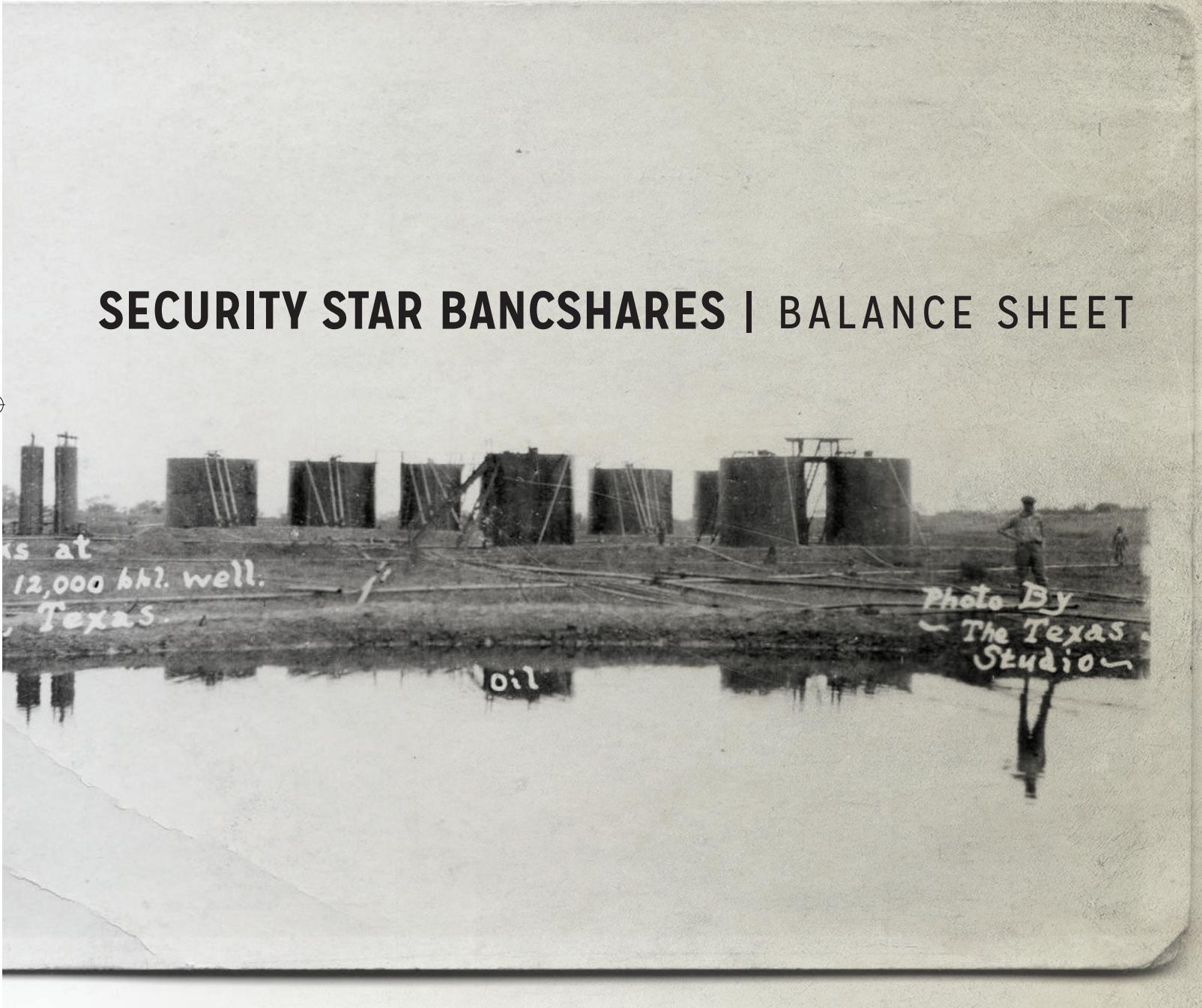
**“I'm confident in stating that the bank is stronger now than it's ever been in its 90 year history and I am committed to ensuring that it stays this way.”**

Chairman Thomas





# SECURITY STAR BANCSHARES | BALANCE SHEET

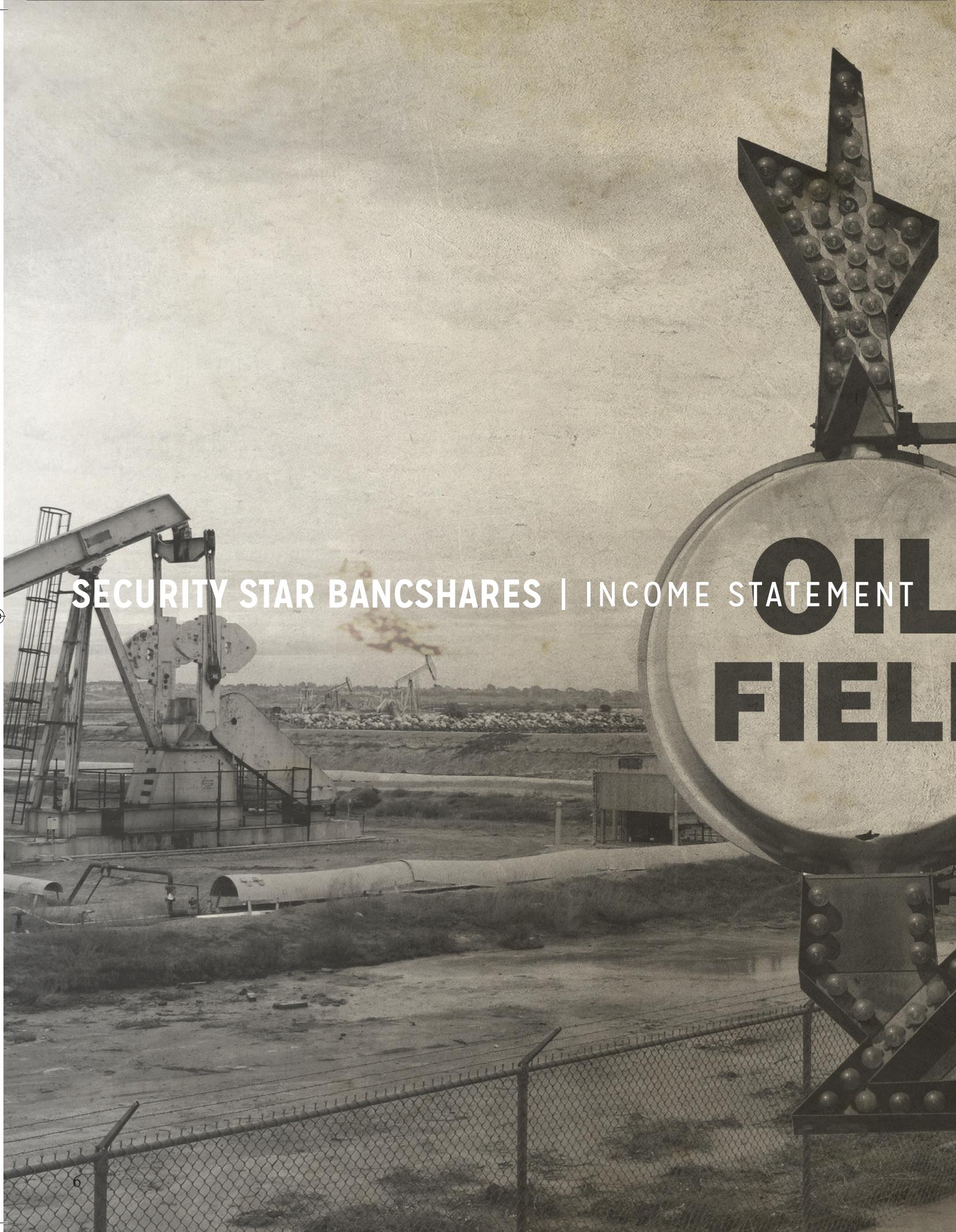


## SECURITY STAR BANCSHARES BALANCE SHEET

(IN THOUSANDS)

	2013	2014	2015	2016	2017
<b>ASSETS</b>					
Cash	\$10	\$10	\$21	\$3,911	\$2,884
<b>TOTAL CURRENT ASSETS</b>	<b>10</b>	<b>10</b>	<b>21</b>	<b>3,911</b>	<b>2,884</b>
Prepaid financing charge	21	6	-	-	-
Building	13	12	11	10	9
Investment in bank	91,977	98,526	95,827	97,976	108,277
Net unrealized gain (loss) on AFS securities	(2,814)	(76)	346	(1,706)	(1,178)
Investment in trust preferred subsidiaries	465	465	465	465	465
Receivable from bank - stock options	125	133	140	196	263
<b>TOTAL ASSETS</b>	<b>\$89,797</b>	<b>\$99,076</b>	<b>\$96,810</b>	<b>\$100,852</b>	<b>\$110,720</b>
<b>LIABILITIES</b>					
Current portion of Frost line of credit	\$331	\$328	\$283	\$480	\$640
Accounts payable	-	-	10	-	-
Accrued interest payable	51	50	47	51	20
<b>TOTAL CURRENT LIABILITIES</b>	<b>382</b>	<b>378</b>	<b>340</b>	<b>531</b>	<b>660</b>
Frost line of credit	4,195	4,198	3,555	3,358	2,718
Long term debentures (trust preferred)	14,158	14,223	14,288	14,353	14,418
<b>TOTAL LIABILITIES</b>	<b>18,735</b>	<b>18,799</b>	<b>18,183</b>	<b>18,242</b>	<b>17,796</b>
<b>STOCKHOLDERS' EQUITY</b>					
Common stock - \$0.20 par value	20	20	20	20	20
Additional paid in capital	40,074	40,083	40,090	44,582	44,916
Retained earnings	37,379	43,847	41,768	43,311	52,763
Treasury stock, at cost	(3,597)	(3,597)	(3,597)	(3,597)	(3,597)
Net unrealized gain (loss) on AFS securities	(2,814)	(76)	346	(1,706)	(1,178)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>71,062</b>	<b>80,277</b>	<b>78,627</b>	<b>82,610</b>	<b>92,924</b>
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>\$89,797</b>	<b>\$99,076</b>	<b>\$96,810</b>	<b>\$100,852</b>	<b>\$110,720</b>





SECURITY STAR BANCSHARES | INCOME STATEMENT



SECURITY STAR BANCSHARES INCOME STATEMENT  
(IN THOUSANDS)

	2013	2014	2015	2016	2017
<b>INCOME</b>					
Dividends received from bank	\$8,987	\$10,892	\$11,196	\$2,757	-
Dividends from non-bank subs	13	13	13	15	18
<b>TOTAL INCOME</b>	<b>9,000</b>	<b>10,905</b>	<b>11,209</b>	<b>2,772</b>	<b>18</b>
<b>EXPENSE</b>					
Depreciation expense	1	1	1	1	1
Legal and accounting	35	9	7	26	7
Executive officer fees and bonuses	125	117	117	75	-
Interest expense - Frost line of credit	186	195	183	176	192
Interest expense - Trust preferred debentures	512	505	515	577	657
Amortization of prepaid trust pref exp	15	15	6	-	-
Miscellaneous expense	5	4	7	12	11
<b>TOTAL EXPENSE</b>	<b>879</b>	<b>846</b>	<b>836</b>	<b>867</b>	<b>868</b>
Net income before subsidiaries	<b>8,121</b>	<b>10,059</b>	<b>10,373</b>	<b>1,905</b>	<b>(850)</b>
Equity in earnings of bank	7,387	7,485	(2,698)	2,149	10,301
<b>NET INCOME</b>	<b>\$15,508</b>	<b>\$17,544</b>	<b>\$7,675</b>	<b>\$4,054</b>	<b>\$9,451</b>
Common stock distributions	\$8,113	\$10,140	\$9,754	\$2,512	-
Earnings per common share	170.73	193.15	84.50	41.49	94.45
Retained earnings per share	81.41	81.51	(22.89)	15.78	94.45
Per share distributions - current year	89.32	111.63	107.38	25.71	-





# BOARD OF DIRECTORS



# McCamey News

**JAMES C. THOMAS**  
CHAIRMAN  
MIDLAND

Congratulations  
**OFFICERS**  
and **DIRECTORS**

"Most Thoroughly Read Newspaper"

UPTON COUNTY, TEXAS

THURSDAY, JULY 6, 1961

## Showing Saturday

**BENTLEY B. KING**  
FT. STOCKTON

**LARRY (BEAR) BRYANT**  
MONAHANS

CHAIRMAN

**BRUCE GRADY**  
McCAMEY

**EUGENE COVILL**  
SAN ANGELO

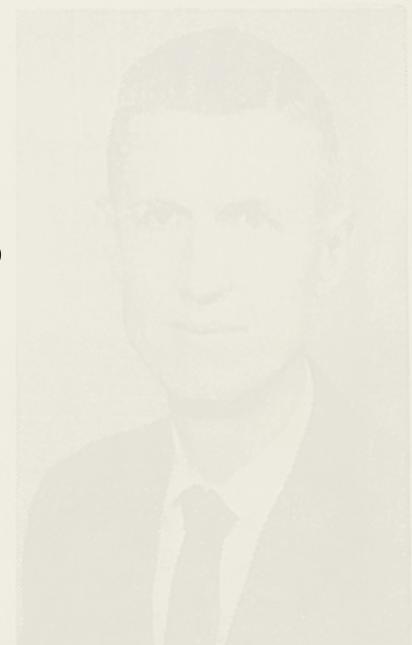
**LOUIS STONE**  
BANK DIRECTOR  
CRANE

**MICKEY JONES**  
BANK DIRECTOR  
ODESSA

**BLUFORD THORNTON**  
HONORARY DIRECTOR  
MONAHANS



**JOHN C. DUNAGAN**  
PRESIDENT

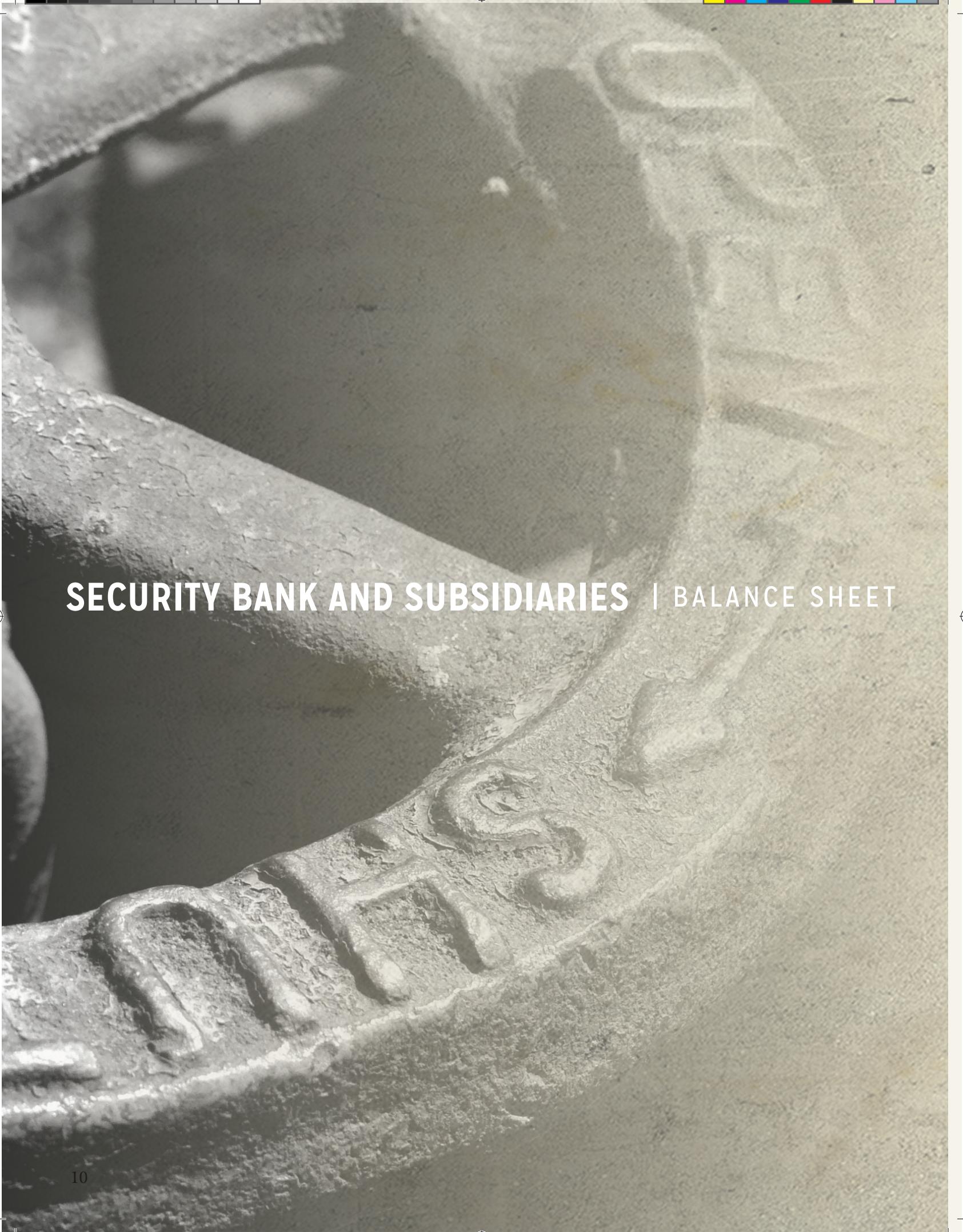


**DERWOOD LANGSTON**  
VICE PRESIDENT

**"We've stood  
the test of time."**



Area Men  
with Capable,



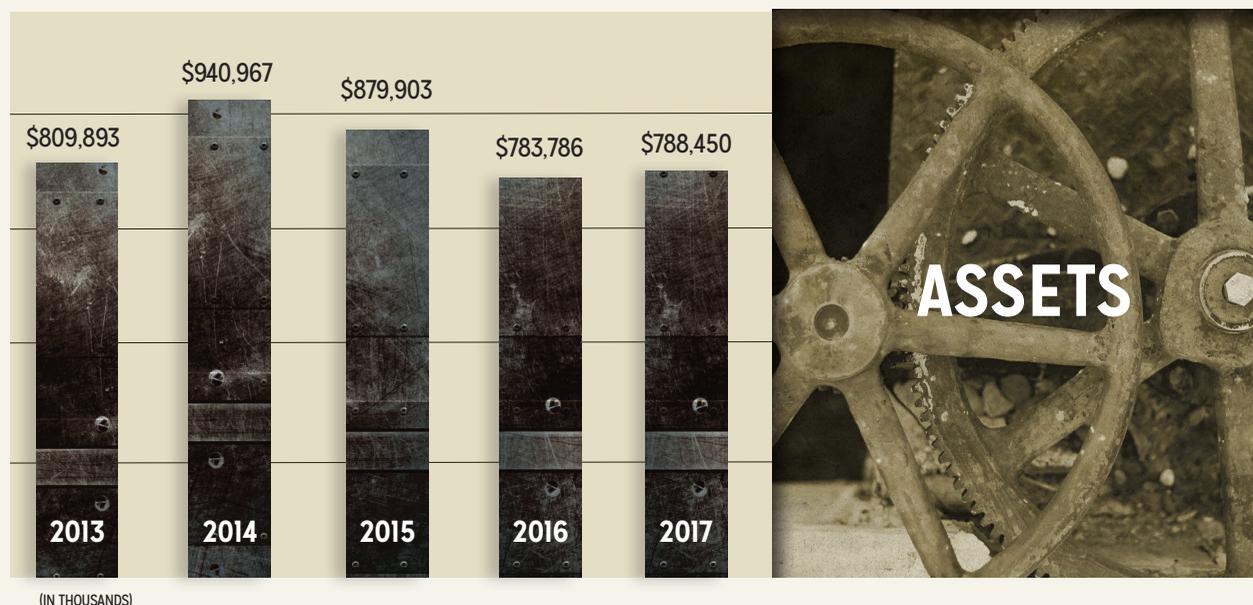
# SECURITY BANK AND SUBSIDIARIES | BALANCE SHEET

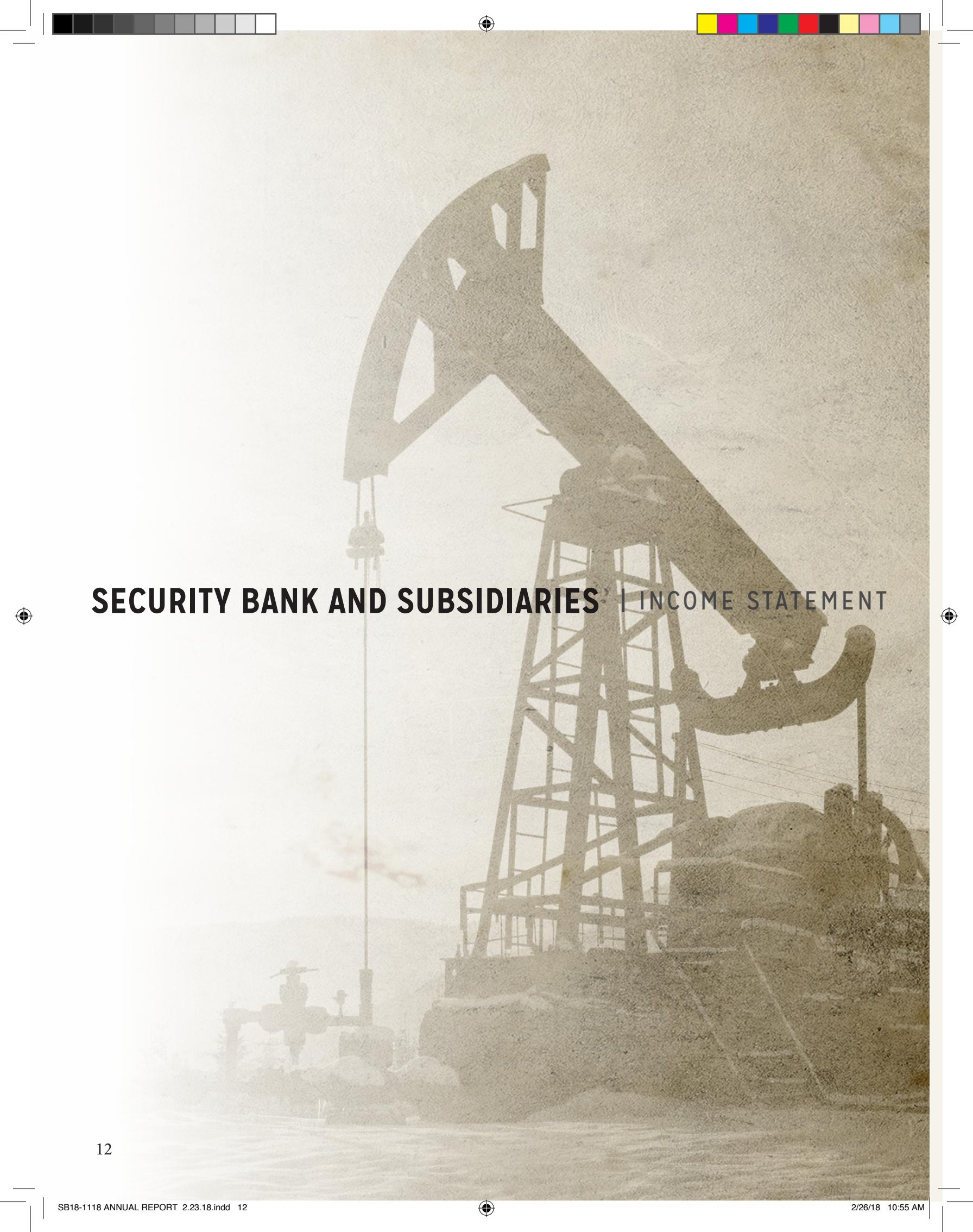


## SECURITY BANK AND SUBSIDIARIES BALANCE SHEET

(IN THOUSANDS)

	2013	2014	2015	2016	2017
<b>ASSETS</b>					
Cash and due from banks	\$30,023	\$23,472	\$21,788	\$23,475	\$25,591
Federal funds sold	52,555	184,868	52,492	80,767	88,890
Available for sale investments	112,109	124,693	194,168	164,627	177,571
Loans and leases, net	545,880	530,804	537,934	437,323	428,231
Premises, furniture and equipment, net	26,733	26,543	25,426	24,339	21,346
Goodwill	25,015	30,716	26,956	26,956	25,016
Core deposit intangible assets	1,428	1,093	1,541	1,085	398
Other assets	16,150	18,778	19,598	25,214	21,407
<b>TOTAL ASSETS</b>	<b>\$809,893</b>	<b>\$940,967</b>	<b>\$879,903</b>	<b>\$783,786</b>	<b>\$788,450</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>					
Deposits	711,466	832,392	774,340	679,603	673,212
Other borrowings	600	2,000	500	-	-
Other liabilities	6,170	7,135	7,478	6,461	6,156
Stockholders' equity	91,657	99,440	97,585	97,722	109,082
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>\$809,893</b>	<b>\$940,967</b>	<b>\$879,903</b>	<b>\$783,786</b>	<b>\$788,450</b>
Tangible capital	65,713	72,262	69,563	71,712	82,013



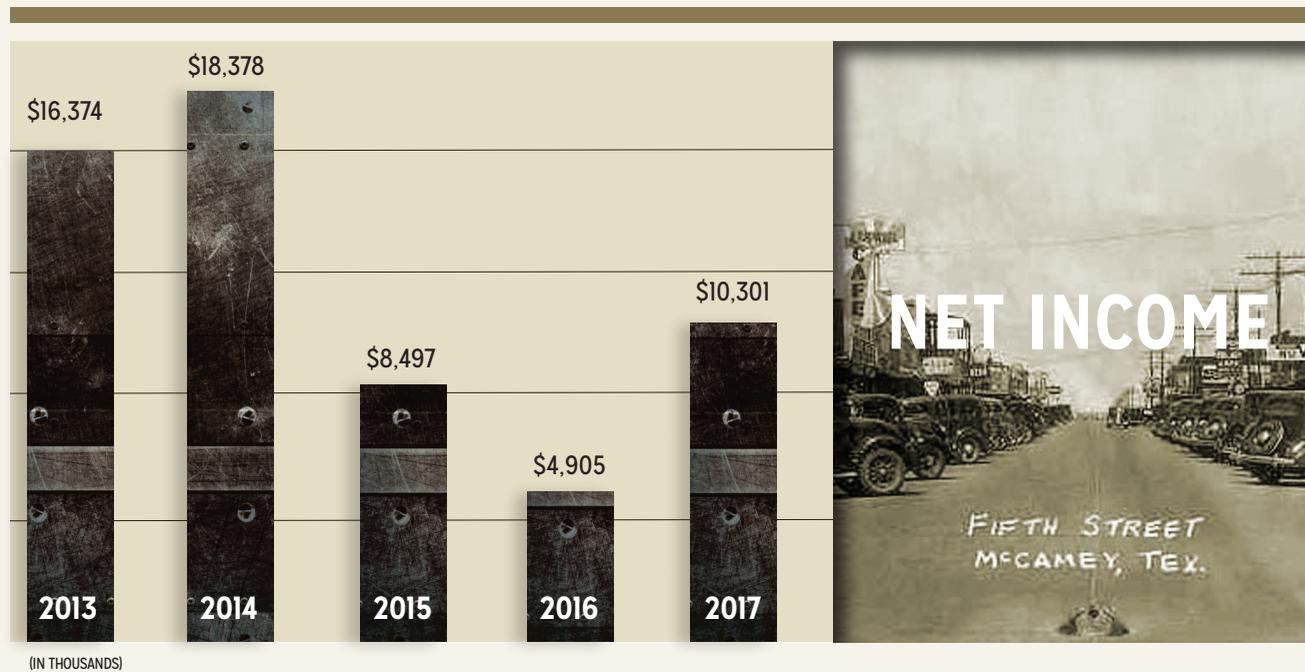


# SECURITY BANK AND SUBSIDIARIES | INCOME STATEMENT



**SECURITY BANK AND SUBSIDIARIES INCOME STATEMENT**  
(IN THOUSANDS)

	2013	2014	2015	2016	2017
<b>INTEREST INCOME</b>					
Interest income	\$39,075	\$42,002	\$39,919	\$35,886	\$35,326
Interest expense	1,104	985	810	673	606
<b>NET INTEREST INCOME</b>	<b>37,971</b>	<b>41,017</b>	<b>39,109</b>	<b>35,213</b>	<b>34,720</b>
Provisions for loan and lease losses	1,980	772	2,001	8,261	953
Noninterest income	7,775	8,761	7,858	10,304	10,290
Noninterest expense	26,343	29,522	36,047	32,099	33,226
Noncontrolling interest	1,049	1,106	422	252	530
<b>NET INCOME</b>	<b>\$16,374</b>	<b>\$18,378</b>	<b>\$8,497</b>	<b>\$4,905</b>	<b>\$10,301</b>



# MARKET SHARE (IN THOUSANDS)

## DEPOSITS

SAN ANTONIO MARKET \$78,282, 12%

MONAHANS MARKET \$84,281, 12%

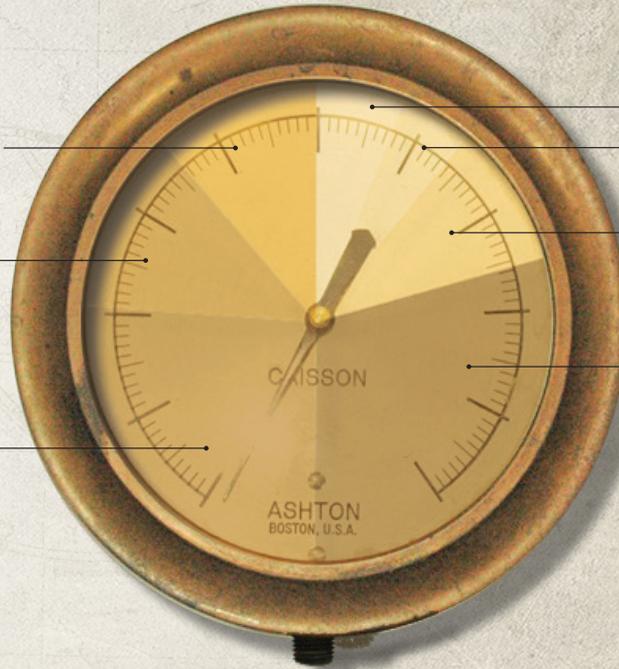
MIDLAND MARKET \$176,663, 26%

TOTAL \$680,367

MCCAMEY MARKET \$42,085, 6%  
CRANE MARKET \$33,551, 5%

BIG LAKE MARKET \$65,588, 10%

ODESSA MARKET \$199,917, 29%



## LOANS

SAN ANTONIO MARKET \$140,426, 33%

MONAHANS MARKET \$22,847, 5%

MIDLAND MARKET \$135,408, 32%

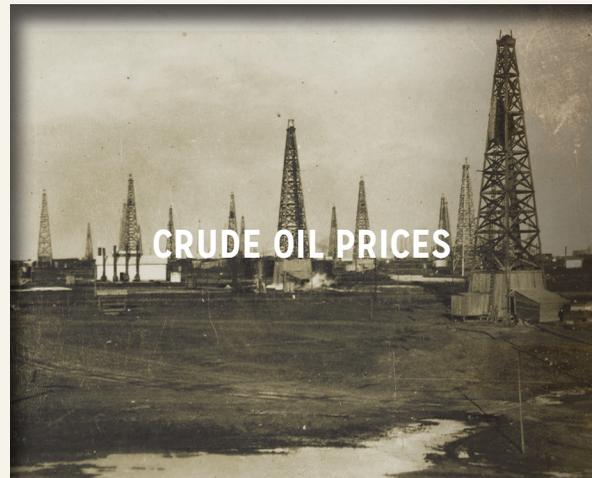
TOTAL \$426,988

MCCAMEY MARKET \$5,352, 1%  
CRANE MARKET \$2,558, 1%

BIG LAKE MARKET \$9,987, 2%

ODESSA MARKET \$110,410, 26%





SINCE 1928

SECURITY STATE BANK



SECURITY STATE BANK





SECURITY BUREAU  
100  
YEAR ANNIVERSARY  
1928-2018





**Corporate**

Midland DT  
600 N Marienfeld  
Midland TX 79701

Crane  
211 Gaston  
Crane TX 79731

Midland Wadley  
5312 W Wadley  
Midland TX 79707

Big Lake  
405 E 2nd Street  
Big Lake TX 76932

Odessa Billy Hext  
4100 Billy Hext Rd  
Odessa TX 79765

San Antonio 1604  
2526 North Loop 1604 West  
San Antonio TX 78248

Odessa West  
2752 N County Road West  
Odessa TX 79764

Devine  
100 E Hondo  
Devine TX 78016

Odessa East  
4040 E 42nd Street  
Odessa TX 79762

**Security Business Capital**  
600 N Marienfeld Ste 150  
Midland TX 79701

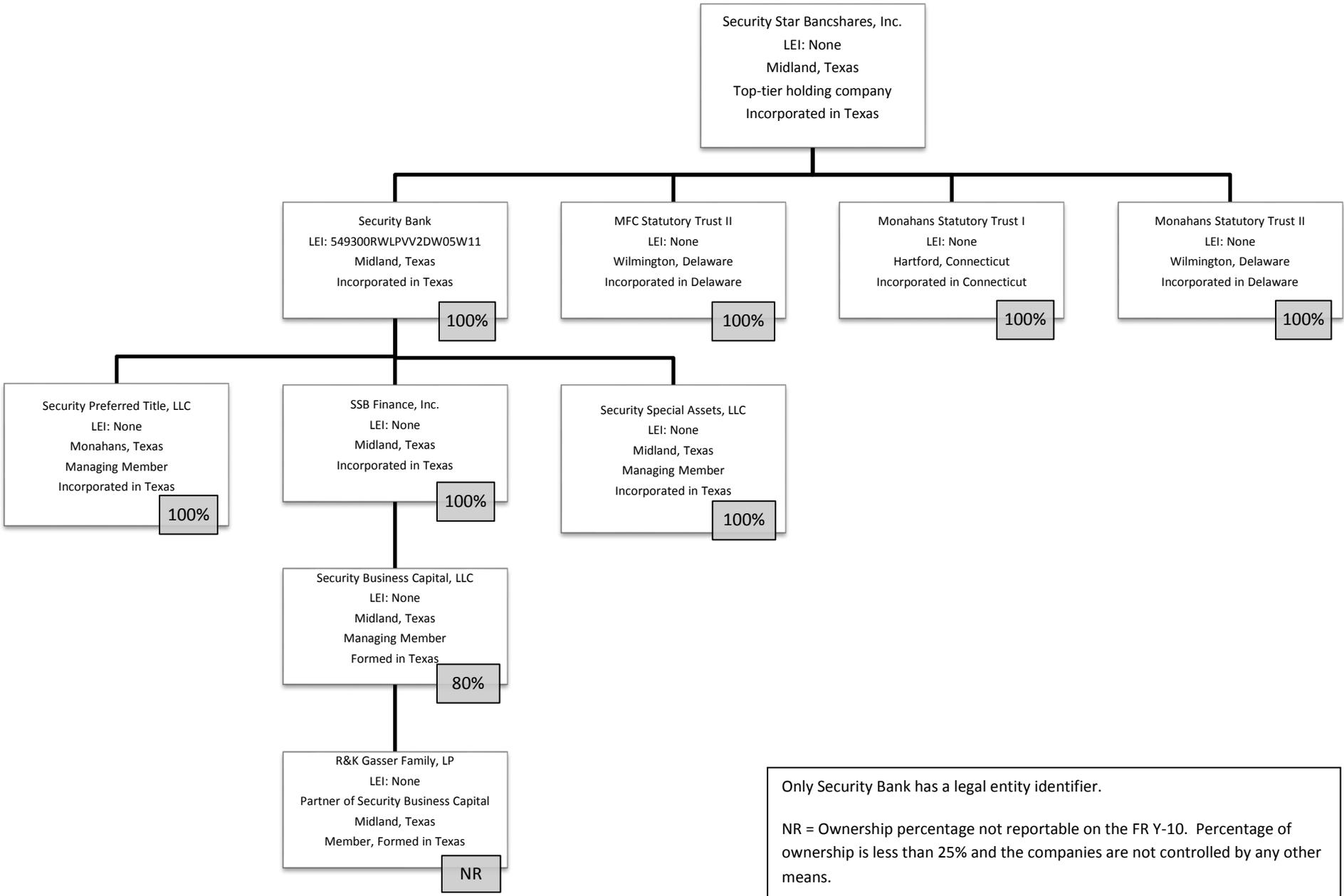
Monahans  
307 S Main  
Monahans TX 79756

**Security Preferred Title**  
321 S Alice Avenue  
Monahans TX 79756

McCamey  
1001 Burleson  
McCamey TX 79752



# Security Star Bancshares, Inc. Organizational Chart



Only Security Bank has a legal entity identifier.

NR = Ownership percentage not reportable on the FR Y-10. Percentage of ownership is less than 25% and the companies are not controlled by any other means.

**FR Y-6 Report  
FYE 2/31/2017  
Security Star Bancshares, Inc.  
Midland, Texas**

**Report Item 2b:** Submitted electronically on 3/23/2018.

Form FR Y-6

Security Star Bancshares, Inc.  
Midland, Texas  
Fiscal Year Ending December 31, 2017

Report Item 3: Securities Holders

Current Securities Holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2017			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 12-31-2017		
(1)(a)	(1)(b)	(1)(c)	(2)(a)	(2)(b)	(2)(c)
Name & Address (City, State, Country)	Country of Citizenship or Incorporation	Number and Percentage of Each Class of Voting Securities	Name & Address (City, State, Country)	Country of Citizenship or Incorporation	Number and Percentage of Each Class of Voting Securities
James Thomas Midland, Texas, USA	USA	13,052 shares common stock (13.04%)	N/A		
Estate of Erlene Thomas, Midland, Texas, USA	USA	2,000 shares common stock (2.00%)			
Thomas Family Trust (James Thomas, trustee) Midland, Texas, USA	USA	4,500 shares common stock (4.50%)			
	<b>total family</b>	19,552 shares common stock (19.54%)			
Floyd Eugene Covill, Jr. San Angelo, Texas, USA	USA	2,666 shares common stock (2.66%)			
Charles Covill New Braunfels, Texas, USA	USA	1,746 shares common stock (1.74%)			
William Bond McCamey, Texas, USA	USA	1,670 shares common stock (1.67%)			
Elizabeth L. Bentley San Angelo, Texas, USA	USA	1,666 shares common stock (1.67%)			
Norma Shellenberger Odessa, Texas, USA	USA	1,666 shares common stock (1.67%)			
Lois North Kellyville, NSW, Australia	Australia	1,666 shares common stock (1.67%)			
	<b>total family</b>	11,080 shares common stock (11.07%)			
Bluford A. Thornton Revocable Trust (Bluford A. Thornton, trustee) Pyote, Texas, USA	USA	6,001 shares common stock (6.00%)			
Debra Slaughter Pyote, Texas, USA	USA	2,082 shares common stock (2.08%)			
Jimmy R. Thornton Cresson, Texas, USA	USA	1,314 shares common stock (1.31%)			
The Jim Pat and Mary Ann Thornton Revocable Trust (Jim Pat Thornton, trustee) Santa Fe, New Mexico, USA	USA	825 shares common stock (0.82%)			
Genora Moore-Canon Roswell, New Mexico, USA	USA	555 shares common stock (0.55%)			
Melissa Thornton Stankus Middleton, Massachusetts, USA	USA	200 shares common stock (0.20%)			
	<b>total family</b>	10,977 shares common stock (10.97%)			
King 2012 GST Exempt Trust (Jim King, trustee) Fort Stockton, Texas, USA	USA	6,000 shares common stock (6.00%)			
Bentley King Ft. Stockton, Texas, USA	USA	3,250 shares common stock (3.25%)			
Jim King Midland, Texas, USA	USA	250 shares common stock (0.25%)			
John King Del Rio, Texas, USA	USA	350 shares common stock (0.35%)			
Scott King Midland, Texas, USA	USA	350 shares common stock (0.35%)			
	<b>total family</b>	10,200 shares common stock (10.19%)			
Larry L. Bryant Monahans, Texas, USA	USA	8,225 shares common stock (8.22%)			
Geretha Prather San Angelo, Texas, USA	USA	373 shares common stock (0.37%)			
Josh Bryant Lewisville, Texas, USA	USA	50 shares common stock (0.05%)			
	<b>total family</b>	8,648 shares common stock (8.64%)			
Bruce Grady McCamey, Texas, USA	USA	1000 shares common stock (1.00%)			
Debbie Bradley Grady By-Pass Trust (Bruce Grady, trustee) McCamey, Texas, USA	USA	4,898 shares common stock (4.90%)			
	<b>total family</b>	5,898 shares common stock (5.89%)			

Form FR Y-6

Security Star Bancshares, Inc.  
Midland, Texas  
Fiscal Year Ending December 31, 2017

Report Item 4: Insiders

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

(1)	(2)	(3)(a)	(3)(b)	(3)(c)	(4)(a)	(4)(b)	(4)(c)
Names & Address (City, State, Country)	Principal Occupation if other than with holding company	Title & Position with holding company	Title & Position with Subsidiaries (include names of subsidiaries)	Title & Position with Other Businesses (include names of other businesses)	Percentage of Voting Securities in holding company	Percentage of Voting Securities in Subsidiaries (include names of subsidiaries)	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)
James C. Thomas Midland, Texas, USA	Investor/Banker	Director/Chairman	Executive Officer, Chairman/CEO (Security Bank)	President - Thomas Resources Corp.	13.04%	N/A	Thomas Resources Corp. (100%)
Estate of Erlene Thomas, Midland, Texas, USA	Investor	Shareholder	N/A	N/A	2.00%	N/A	N/A
Thomas Family Trust, Midland, Texas, USA	Investor	Shareholder	N/A	N/A	4.50%	N/A	N/A
Larry L. Bryant Monahans, Texas, USA	Oilfield equipment rental business owner	Director	Director (Security Bank)	President - Doc's Reverse Units, Inc. President - WestStar Autoplex, LLC Managing Partner - Bryant & Bryant Co. Partner - Larry & Joshua Bryant DBA LB Ranch Owner - Peggy-Bear Oil Co. Partner - Bear Bryant Oil & Gas Co. President - A & B Oil (division of Doc's)	8.22%	N/A	Doc's Reverse Units, Inc. (100%) WestStar Autoplex, LLC (81.25%) Bryant & Bryant Co. (50%) Larry & Joshua Bryant DBA LB Ranch (50%) Peggy-Bear Oil Co. (100%) Bear Bryant Oil & Gas Co. (50%) A & B Oil (100%)
Bentley King Fort Stockton, Texas, USA	Petroleum product distributor	Director	Director (Security Bank)	Owner - Southwest Marketers, Inc. Owner - Limpia Ranches Partner - Limpia Properties Partner - Kent Southwest, LLC Director - Pecos County State Bank	3.25%	N/A	Southwest Marketers, Inc. (100%) Kent Southwest, LLC (40%)
Jim King Midland, Texas, USA	Petroleum product distributor	Shareholder	N/A	N/A	0.25%	N/A	N/A
John King Del Rio, Texas, USA	Investor	Shareholder	N/A	N/A	0.35%	N/A	N/A
Scott King Midland, Texas, USA	Investor	Shareholder	N/A	N/A	0.35%	N/A	N/A

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Security Star Bancshares, Inc.  
Midland, Texas  
Fiscal Year Ending December 31, 2017

Report Item 4: Insiders

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

(1)	(2)	(3)(a)	(3)(b)	(3)(c)	(4)(a)	(4)(b)	(4)(c)
Names & Address (City, State, Country)	Principal Occupation if other than with holding company	Title & Position with holding company	Title & Position with Subsidiaries (include names of subsidiaries)	Title & Position with Other Businesses (include names of other businesses)	Percentage of Voting Securities in holding company	Percentage of Voting Securities in Subsidiaries (include names of subsidiaries)	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)
Bruce Grady McCamey, Texas, USA	Merchant, rancher, oilfield services business owner	Director	Director (Security Bank)	Owner - Farm and ranch, Pecos County, Texas President - Four G Oil Co. President - Sundance, LLC CFO - Grady Rentals President - Icon Energy Services, LLC	1.00%	N/A	Farm and Ranch Pecos Co. (100%) Four G Oil Co. (100%) Sundance, LLC (100%)
Floyd Eugene Covill, Jr. San Angelo, Texas, USA	Insurance adjustor	Director	N/A	N/A	2.66%	N/A	N/A
Charles Covill New Braunfels, Texas, USA	Retired/Salon owner	Shareholder	N/A	Owner - Tuladoso, Inc.	1.74%	N/A	Tuladoso, Inc. (100%)
William Bond McCamey, Texas, USA	Investor	Shareholder	N/A	N/A	1.67%	N/A	N/A
Elizabeth L. Bentley San Angelo, Texas, USA	Investor	Shareholder	N/A	N/A	1.67%	N/A	N/A
Norma Shellenberger Odessa, Texas, USA	Retired Product Demonstrator	Shareholder	N/A	N/A	1.67%	N/A	N/A
Lois North Kellyville, NSW, Australia	Missionary	Shareholder	N/A	N/A	1.67%	N/A	N/A
Bluford A. Thornton Revocable Trust (Bluford A. Thornton, trustee) Pyote, Texas, USA	Retired Rancher	Shareholder	N/A	N/A	6.00%	N/A	N/A

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Security Star Bancshares, Inc.  
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(1)(a)(b)(c) and (2)(a)(b)(c)

(1)	(2)	(3)(a)	(3)(b)	(3)(c)	(4)(a)	(4)(b)	(4)(c)
Names & Address (City, State, Country)	Principal Occupation if other than with holding company	Title & Position with holding company	Title & Position with Subsidiaries (include names of subsidiaries)	Title & Position with Other Businesses (include names of other businesses)	Percentage of Voting Securities in holding company	Percentage of Voting Securities in Subsidiaries (include names of subsidiaries)	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)
Debra Slaughter Pyote, Texas, USA	Rancher	Shareholder	N/A	Member - Thornton Ranch, LLC	2.08%	N/A	N/A
Jimmy R. Thornton Cresson, Texas, USA	Rancher	Shareholder	N/A	Member - Thornton Ranch, LLC	1.31%	N/A	N/A
The Jim Pat and Mary Ann Thornton Revocable Trust (Jim Pat Thornton, trustee) Santa Fe, New Mexico, USA	Investor	Shareholder	N/A	N/A	0.82%	N/A	N/A
Genora Moore- Canon Roswell, New Mexico, USA	Investor	Shareholder	N/A	N/A	0.55%	N/A	N/A
Melissa Thornton Stankus Middleton, Massachusetts, USA	Homemaker	Shareholder	N/A	Homemaker	0.20%	N/A	N/A
Jarod Thomas, Midland, Texas, USA	Banker	None	Executive Officer, CLO (Security Bank)	N/A	0.00%	N/A	N/A
Lance McDougall Midland, Texas, USA	Banker	CFO	Executive Officer, SVP/CFO/COO (Security Bank)	N/A	0.00%	N/A	N/A
Art Hobbs Midland, Texas, USA	Banker	None	Executive Officer, CCO (Security Bank)	N/A	0.00%	N/A	N/A

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

(1)	(2)	(3)(a)	(3)(b)	(3)(c)	(4)(a)	(4)(b)	(4)(c)
Names & Address (City, State, Country)	Principal Occupation if other than with holding company	Title & Position with holding company	Title & Position with Subsidiaries (include names of subsidiaries)	Title & Position with Other Businesses (include names of other businesses)	Percentage of Voting Securities in holding company	Percentage of Voting Securities in Subsidiaries (include names of subsidiaries)	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)
Lindsay Ridgeway Midland, Texas, USA	Banker	Controller	Executive Officer, VP/Controller (Security Bank)	N/A	0.00%	N/A	N/A