**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.

I, LARRY R. JOHNSON
Name of the Holding Company Director and Official

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

3/26/18
Date of Signature

**Date of Report** (top-tier holding company's fiscal year-end):
**December 31, 2017**
Month / Day / Year

NONE
Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

CHILDRESS BANCSHARES, INC.
Legal Title of Holding Company

301 N. MAIN ST. / P.O. BOX 1090
(Mailing Address of the Holding Company) Street / P.O. Box

| CHILDRESS | TX | 79201 |
|---|---|---|
| City | State | Zip Code |

301 N. MAIN ST., CHILDRESS, TX 79201
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

| LARRY R. JOHNSON | PRESIDENT |
|---|---|
| Name | Title |

940-937-3611
Area Code / Phone Number / Extension

940-937-3634
Area Code / FAX Number

ljohnson@fbtchildress.net
E-mail Address

www.fbtchildress.net
Address (URL) for the Holding Company's web page

*For holding companies not registered with the SEC–*
Indicate status of Annual Report to Shareholders:

- [x] 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."

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.50 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.

# 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.*

CHILDRESS BANCSHARES OF DELAWARE, INC.
Legal Title of Subsidiary Holding Company

P.O. BOX 1090
(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box

CHILDRESS | TX | 79201
City | State | Zip Code

301 N. MAIN ST., CHILDRESS, TX 79201
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)

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)

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)

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)

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)

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)

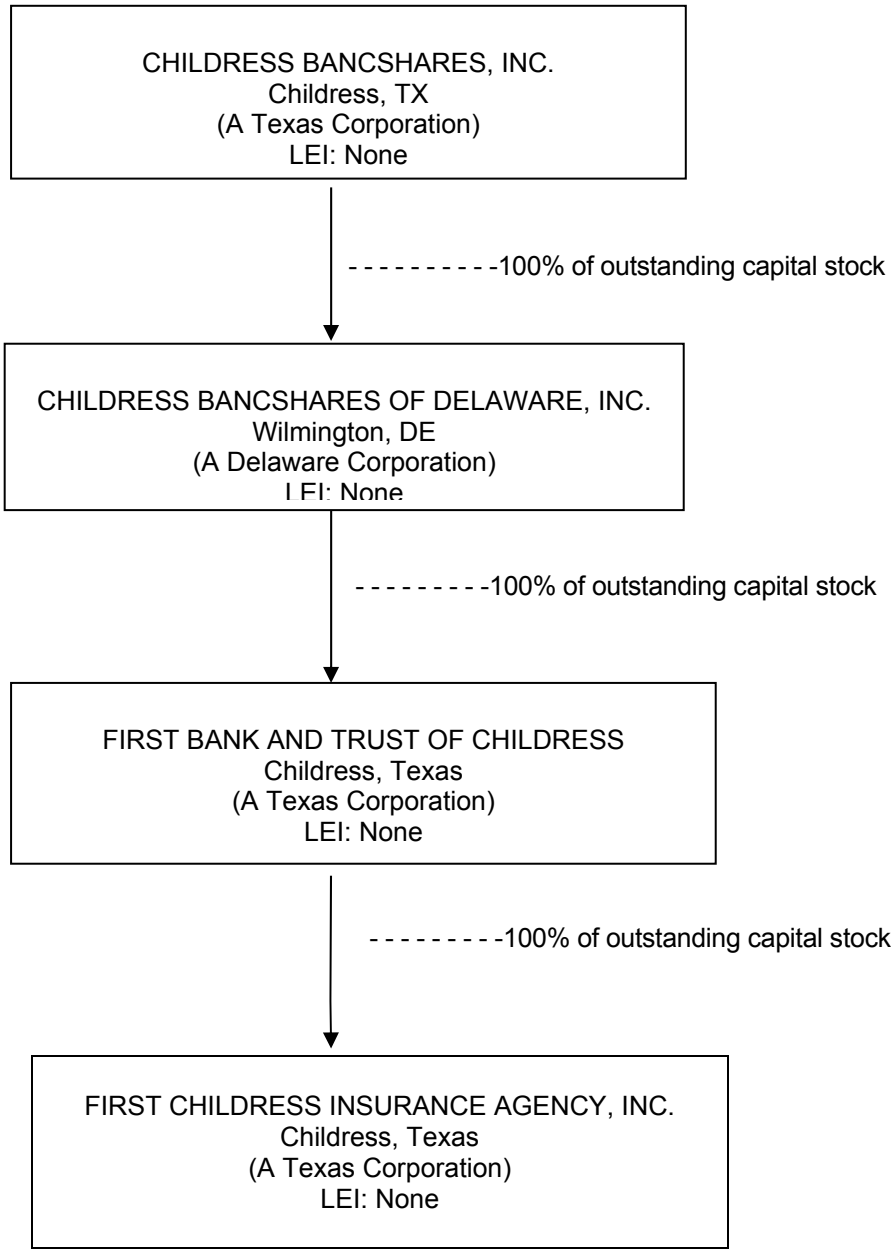
**FORM FR Y-6**

**CHILDRESS BANCSHARES, INC.**
**CHILDRESS, TEXAS**
**FISCAL YEAR ENDING DECEMBER 31, 2017**

**REPORT ITEM 1:** A copy of the 2017 Annual Report to Stockholders is attached.

**REPORT ITEM 2a:**

Organization Chart




**REPORT ITEM 2b:** Domestic Branch listing submitted via email on March 20, 2018.

# Form FR Y-6

**CHILDRESS BANCSHARES, INC.**
**CHILDRESS, 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)**<br>**Name & Address (City, State, Country)** | **(1)(b)**<br>**Country of Citizenship or Incorporation** | **(1)(c)**<br>**Number and Percentage of Each Class of Voting Securities** | **(2)(a)**<br>**Name & Address (City, State, Country)** | **(2)(b)**<br>**Country of Citizenship or Incorporation** | **(2)(c)**<br>**Number and Percentage of Each Class of Voting Securities** |
| Charles H. Mashburn<br>Childress, TX/USA | USA | 1,213 shares<br>89.32% | None | | |
| Larry R. Johnson<br>Childress, TX/USA | USA | 125 shares<br>9.21% | | | |

# Form FR Y-6

**CHILDRESS BANCSHARES OF DELAWARE, INC.**
**CHILDRESS, 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)** Name & 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 & Address (City, State, Country) | **(2)(b)** Country of Citizenship or Incorporation | **(2)(c)** Number and Percentage of Each Class of Voting Securities |
| Childress Bancshres, Inc.<br>Childress, TX/USA | USA | 1,000 shares<br>100.00% | None | | |

**FORM FR Y-6**

**CHILDRESS BANCSHARES, INC.**
**FISCAL YEAR ENDING DECEMBER 31, 2017**

**Report Item 4: Insiders**
**(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)**

| (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 Businesses | (4)(a) Percentage of Voting Shares in Holding Company | (4)(b) Percentage of Voting Shares in Subsidiaries | (4)(c) List names of other companies if 25% or more of voting securities are held |
|---|---|---|---|---|---|---|---|
| Charles H. Mashburn<br>Childress, TX/USA | Investor | Chairman of the Board of Directors | Chairman of the Board of Directors (Childress Bancshares of Delaware, Inc.)<br>Chairman of the Board of Directors (First Bank and Trust of Childress)<br>Chairman of the Board of Directors (First Childress Insurance Agency, Inc.) | Partner (PAMCO Partnership)<br>Partner (C. Mashburn & J. Inman Partnership)<br>Owner (Mashburn Realty & Investments)<br>Vice President (MJM Development, Inc.) | 89.32% | None | PAMCO Partnership (75.00%)<br>C. Mashburn & J. Inman Partnership (50.00%)<br>Mashburn Realty & Investments (50.00%)<br>MJM Development, Inc. (68.75%) |
| Diane Mashburn<br>Childress, TX/USA | Investor | Secretary and Director | Director (Childress Bancshares of Delaware, Inc.)<br>Director and Marketing Officer (First Bank & Trust of Childress)<br>Director (First Childress Insurance Agency, Inc.) | Owner (Mashburn Realty & Investments) | None | None | Mashburn Realty & Investments (50.00%) |
| Larry R. Johnson<br>Childress, TX/USA | Banker | President and Director | President and Director (Childress Bancshares of Delaware, Inc.)<br>President and Director (First Bank & Trust of Childress)<br>President and Director (First Childress Insurance Agency, Inc.) | Partner (PAMCO Partnership)<br>President (MJM Development, Inc.) | 9.21% | None | PAMCO Partnership (25.00%)<br>MJM Development, Inc. (31.25%) |

Continued

**FORM FR Y-6**

**CHILDRESS BANCSHARES, INC.**
**FISCAL YEAR ENDING DECEMBER 31, 2017**

**Report Item 4: Insiders**
**(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)**

| (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 Businesses | (4)(a) Percentage of Voting Shares in Holding Company | (4)(b) Percentage of Voting Shares in Subsidiaries | (4)(c) List names of other companies if 25% or more of voting securities are held |
|---|---|---|---|---|---|---|---|
| Sharon Johnson<br>Childress, TX/USA | Banker | Director | Exec. VP/Cashier and Director (First Bank & Trust of Childress) Director (First Childress Insurance Agency, Inc.) | N/A | None | None | N/A |
| Turk Nelson<br>Childress, TX/USA | Banker | Director | Senior Vice President and Director (First Bank & Trust of Childress) Director (First Childress Insurance Agency, Inc.) | N/A | 1.47% | None | N/A |

**FORM FR Y-6**

**CHILDRESS BANCSHARES OF DELAWARE, INC.**
**FISCAL YEAR ENDING DECEMBER 31, 2017**

**Report Item 4: Insiders**
**(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)**

| (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 Businesses | (4)(a) Percentage of Voting Shares in Holding Company | (4)(b) Percentage of Voting Shares in Subsidiaries | (4)(c) List names of other companies if 25% or more of voting securities are held |
|---|---|---|---|---|---|---|---|
| Charles H. Mashburn<br>Childress, TX/USA | Investor | Chairman of the Board of Directors | Chairman of the Board of Directors (First Bank and Trust of Childress)<br>Chairman of the Board of Directors (First Childress Insurance Agency, Inc.) | Partner (PAMCO Partnership)<br>Partner (C. Mashburn & J. Inman Partnership)<br>Owner (Mashburn Realty & Investments)<br>Vice President (MJM Development, Inc.) | None | None | PAMCO Partnership (75.00%)<br>C. Mashburn & J. Inman Partnership (50.00%)<br>Mashburn Realty & Investments (50.00%)<br>MJM Development, Inc. (68.75%) |
| Diane Mashburn<br>Childress, TX/USA | Investor | Director | Director and Marketing Officer (First Bank & Trust of Childress)<br>Director (First Childress Insurance Agency, Inc.) | Owner (Mashburn Realty & Investments) | None | None | Mashburn Realty & Investments (50.00%) |
| Larry R. Johnson<br>Childress, TX/USA | Banker | President and Director | President and Director (First Bank & Trust of Childress)<br>President and Director (First Childress Insurance Agency, Inc.) | Partner (PAMCO Partnership)<br>President (MJM Development, Inc.) | None | None | PAMCO Partnership (25.00%)<br>MJM Development, Inc. (31.25%) |
| Childress Bancshares, Inc.<br>Childress, TX/USA | Bank Holding Company | N/A | N/A | N/A | 100.00% | None | N/A |

REPORT ITEM 1

**FIRST BANK AND TRUST OF CHILDRESS**
**CHILDRESS, TEXAS**

**2017 ANNUAL STOCKHOLDERS REPORT**

**BALANCE SHEET**

| **ASSETS** | **2016** | **2017** |
|---|---|---|
| Cash & Due From | $ 7,949,664.00 | $ 3,026,650.00 |
| US Treas. Securities | - | - |
| US Govt. Agencies | 29,485,858.00 | 33,552,338.00 |
| State & Political Subs. | 8,190,217.00 | 12,242,959.00 |
| Other Securities & Inv. In Subsidiary | 321,536.00 | 1,864,721.00 |
| CD's Purchased | - | - |
| Unrealized G/L AFS Inv. | (634,153.00) | (859,682.00) |
| Fed Funds Sold | - | - |
| Loans | 50,212,428.00 | 57,056,366.00 |
| Less Loan Loss Res. | (420,109.00) | (448,284.00) |
| Overdrafts | 7,221.00 | 8,116.00 |
| Bank Premises,F&F, & OA | 2,033,531.00 | 1,935,537.00 |
| OREO | 278,831.00 | 52,180.00 |
| OREO Reserve | - | - |
| **TOTAL ASSETS** | $ 97,425,024.00 | $ 108,430,901.00 |

| **LIABILITIES** | | | | |
|---|---|---|---|---|
| No-Interest Demand Deposits | | | $ 10,611,314.00 | $ 13,745,611.00 |
| Time & Savings Deposits | | | 77,553,668.00 | 85,596,230.00 |
| US Govt Deposits | | | - | 0.00 |
| State & Political Subs. Dep. | | Memo | 27,405,437.00 | 28,396,214.00 |
| Commercial Bank Deposits | | | - | 0.00 |
| **Total Deposits** | | | 88,164,982.00 | 99,341,841.00 |
| Fed Funds Purchased & Other Borrowed Funds | | | - | 0.00 |
| Other Liabilities | | | 159,727.00 | 162,966.00 |
| **Total Liabilities** | | | 88,324,709.00 | 99,504,807.00 |
| Common Stock | | | 300,000.00 | 300,000.00 |
| Authorized | Shares | 300000 | - | 0.00 |
| Oustanding | Shares | 300000 | - | 0.00 |
| Certified Surplus | | | 3,700,000.00 | 3,700,000.00 |
| Additional Paid in Capital | | | 2,500,000.00 | 2,500,000.00 |
| Unrealized G/L AFS-Net | | | (634,153.00) | -859,682.00 |
| Dividends Paid | | | (670,000.00) | -720,000.00 |
| Retained Earnings | | | 3,122,832.00 | 3,234,468.00 |
| Current Earnings | | | 781,636.00 | 771,308.00 |
| **Total Equity Capital With G/L AFS** | | | 9,100,315.00 | 8,926,094.00 |
| **Total Equity Capital without G/L AFS** | | | 9,734,468.00 | 9,785,776.00 |
| **TOTAL LIABILITIES & EQUITY CAPITAL** | | | $ 97,425,024.00 | $ 108,430,901.00 |

REPORT ITEM 1

**FIRST BANK AND TRUST OF CHILDRESS**
**CHILDRESS,TEXAS**

**STATEMENT OF EARNINGS**

| **OPERATING INCOME** | **2016** | **2017** |
|---|---|---|
| Income & Fees on Loans | $ 2,701,131.00 | $ 2,734,258.00 |
| Income on Fed Funds Sold & TIB MMDA | 6,971.00 | 26,334.00 |
| Int. on US Treas. Sec. | - | - |
| Int. on US Govt. Sec. | 546,404.00 | 724,658.00 |
| Int. on State & Pol. Subs. | 282,277.00 | 278,033.00 |
| Int. Inc. & Div.-FHLB Stock | 1,268.00 | 1,699.00 |
| Other Income-Div. TIB Stock | 2,401.00 | 3,550.00 |
| Service Charges on Deposits | 34,005.00 | 32,255.00 |
| Other Service Charges & Fees | 23,513.00 | 26,334.00 |
| NSF Returned Check & OD Fees | 84,432.00 | 74,649.00 |
| Income on OREO | 9,188.00 | 9,000.00 |
| ATM Interchange Fee | 76,024.00 | 84,547.00 |
| Income on Deposits | - | - |
| **TOTAL OPERATING INCOME** | 3,767,614.00 | 3,995,317.00 |
| | | |
| **OPERATING EXPENSES** | | |
| Salaries & Employee Benefits | 1,095,840.00 | 1,157,496.00 |
| | | |
| Int. on CD's >$250M | 560,824.00 | 454,256.00 |
| Int. on Other Deposits | 245,758.00 | 572,323.00 |
| Int. Expense on Fed Funds | - | 13.00 |
| Int. Expense on Other Borrowings | 5,452.00 | 242.00 |
| **Total Interest Expense** | 812,034.00 | 1,026,834.00 |
| Occupancy Expense | 255,466.00 | 269,249.00 |
| Other Expenses | 678,402.00 | 729,858.00 |
| Prov. For Loan Loss | 103,000.00 | 20,000.00 |
| Prov. For ORE Loss | - | - |
| ATM Interchange Fee Expense | 43,391.00 | 56,695.00 |
| **Total Non Interest Expense** | 2,176,099.00 | 2,233,298.00 |
| **TOTAL OPERTATING EXPESES** | 2,988,133.00 | 3,260,132.00 |
| Income Before Taxes & Sec. G/L | 779,481.00 | 735,185.00 |
| Income Tax Allocation | N/A | N/A |
| Net Income Before Sec. G/L | | |
| Securities G/L | (7,310.00) | 7,337.00 |
| Income Tax Allocation Sec. G/L | N/A | N/A |
| Extraordinary G/L | | |
| Gain/Loss ORE | | 21,308.00 |
| Income Tax Allocation Extra. G/L | N/A | N/A |
| | | |
| **NET INCOME-FBT** | 772,171.00 | 763,830.00 |
| | | |
| Income Subsidiary-FCIA | 9,465.00 | 7,478.00 |
| | | |
| **NET INCOME-FBT & SUBSIDIARY-FCIA** | $ 781,636.00 | $ 771,308.00 |

REPORT ITEM 1

**FIRST BANK AND TRUST OF CHILDRESS**
**CHILDRESS, TEXAS**

**EQUITY CAPITAL &**
**LOAN LOSS RESERVE**

| **CHANGES IN EQUITY CAPITAL** | **2016** | **2017** |
|---|---|---|
| Common Stock | $ 300,000.00 | $ 300,000.00 |
| Certified Surplus | 3,700,000.00 | 3,700,000.00 |
| Retained Earnings | 3,122,832.00 | 3,234,468.00 |
| Unrealized G/L AFS | (634,153.00) | (859,682.00) |
| Current Earnings | 781,636.00 | 771,308.00 |
| Dividends Paid | (670,000.00) | (720,000.00) |
| Additional Paid in Capital | 2,500,000.00 | 2,500,000.00 |
| **TOTAL EQUITY CAPITAL** | $ 9,100,315.00 | $ 8,926,094.00 |

| **LOAN LOSS RESERVE RECONCILIATION** | | | |
|---|---|---|---|
| Beginning Balance | **1465** | $ 314,108.00 | $ 420,108.00 |
| Net (Losses) & Recoveries | | 3,000.00 | 8,176.00 |
| Provision For Loan Losses | | 103,000.00 | 20,000.00 |
| Transfer to/from OREO Loss Reserve | | - | - |
| Transfer to/from BEBIT Card Loss Reserve | | - | - |
| **BALANCE LOAN LOSS RESERVE** | | $ 420,108.00 | $ 448,284.00 |

| **OREO LOSS RESERVE** | **1550** | |
|---|---|---|
| Beginning Reserve | | $0.00 |
| Recoveries | | $0.00 |
| Losses | | $0.00 |
| Provision for OREO Loss | | $0.00 |
| Transfer to/from LLR | | $0.00 |
| **BALANCE OREO LOSS RESERVE** | | $0.00 |