

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

**Odem Bancshares, Inc.**

Legal Title of Holding Company

**PO Box 726**

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

<b>Odem</b>	<b>TX</b>	<b>78370</b>
City	State	Zip Code

**201 Main St., Odem, TX 78370**

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

**Craig Cavitt** **Secretary**

Name Title

**361-241-8808**

Area Code / Phone Number / Extension

**361--241-8244**

Area Code / FAX Number

**ccavitt@fsbodem.com**

E-mail Address

**www.fsbodem.com**

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

I, C.R. Miller, Jr.  
 Name of the Holding Company Director and Official  
President/Director  
 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.

C.R. Miller, Jr.  
 Signature of Holding Company Director and Official  
3-27-2018  
 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	<b>0</b>
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 .....	<input type="checkbox"/>	
2. a letter justifying this request has been provided separately ...	<input type="checkbox"/>	
NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."		



**Form FRY-6**

**ODEM BANCSHARES, INC.**  
P.O. BOX 726 PH: 512-368-2651  
**Odem, Texas 78370**

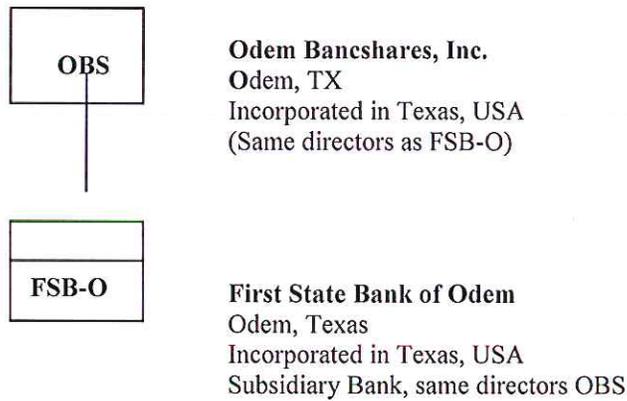
**ORGANIZATIONAL CHART**  
**December 31, 2017**

Report Item

1: The bank holding company prepares an annual report for its securities holders and is not registered with the SEC. As specified by the appropriate Reserve Bank, a copy of the annual disclosure statement for Odem Bancshares, Inc. is enclosed.

2a: Organizational Chart

After Merger 4-14-2014



OBS, Inc. owner 100% of FSBO

No Entity has an LEI

Result: A list of branches for your depository institution: FIRST STATE BANK OF ODEM (ID\_RSSD: 776369).  
 This depository institution is held by ODEM BANKSHARES, INC. (2213415) of ODEM, TX.  
 The data are as of 12/31/2017. Data reflects information that was received and processed through 01/04/2018.

**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*	Regular Name	Street Address	City	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	776369	FIRST STATE BANK OF ODEM	201 MAIN STREET	ODEM	TX	78370	SAN PATRICIO	UNITED STATES	Not Required	Not Required	FIRST STATE BANK OF ODEM		776369
OK		Full Service	3546276	NORTHWEST BRANCH	4424 CALICOATE	CORPUS CHRISTI	TX	78410	NUECES	UNITED STATES	Not Required	Not Required	FIRST STATE BANK OF ODEM		776369
OK		Full Service	3352827	ROBSTOWN BRANCH	600 S HWY 77	ROBSTOWN	TX	78380-4311	NUECES	UNITED STATES	Not Required	Not Required	FIRST STATE BANK OF ODEM		776369
OK		Full Service	3663161	SINTON BRANCH	310 SOUTH SAN PATRICIO STREET	SINTON	TX	78387-2419	SAN PATRICIO	UNITED STATES	Not Required	Not Required	FIRST STATE BANK OF ODEM		776369

**ODEM BANCSHARES, INC.**  
**2017 ANNUAL DISCLOSURE STATEMENT**

<b><u>ASSETS</u></b>	Year Ending December 31,	
	2017	2016
	\$(000)	\$(000)
Cash and due from depository institutions:		
Balances with subsidiary or affiliated depository institutions	0	0
Balances with unrelated depository institutions	835	994
Securities		
Loans and lease financing receivables (exclusive of loans and lease financing receivables due from bank(s) and nonbank subsidiaries		
Loans and leases, net of unearned income	278	333
LESS: Allowance for loan and lease losses	0	0
Loans and leases, net of unearned income and the allowance for loan and lease losses	278	333
Investment in bank subsidiary(s)		
Equity investment	15013	14352
Goodwill	0	0
Loan and advances to and receivables due from bank subsidiary(s)	0	0
Investment in nonbank subsidiary(s)		
Equity investment	0	0
Goodwill	0	0
Loan and advances to and receivables due from nonbank subsidiary(s)	0	0
Investment in subsidiary bank holding company(s)		
Equity investment	0	0
Goodwill	0	0
Loans and advances to and receivables due from subsidiary bank holding co.	0	0
Other assets	0	0
Balances due from related nonbank companies	0	0
<b>TOTAL ASSETS</b>	<b>16126</b>	<b>15679</b>
 <b><u>LIABILITIES AND EQUITY CAPITAL</u></b>		
Short term borrowings		
Commerical paper	0	0
Other short-term borrowings	0	0
Long term borrowings	0	0
Accrued interest payable	0	0
Other liabilities	30	13
Balances due to subsidiaries and related institutions		
Subsidiary bank(s)	0	0
Nonbank subsidiaries and related institutions	0	0
Equity capital		
Perpetual preferred stock	0	0
Common Stock	8054	8035
Retained earnings	8818	7640
Accumulated other comprehensive income	(98)	(9)
Other equity capital components	(678)	0
<b>Total equity capital</b>	<b>16096</b>	<b>15666</b>
<b>TOTAL LIABILITIES AND EQUITY CAPITAL</b>	<b>16126</b>	<b>15679</b>

**ODEM BANCSHARES, INC.**  
**2017 ANNUAL DISCLOSURE STATEMENT**

<b>MEMORANDA</b>	Year Ending December 31,	
	2017 \$(000)	2016 \$(000)
Bank holding company borrowings not held by financial institutions or by insiders and their interest	0	0
Treasury stock	0	0
Total loans from parent bank holding company and nonbank subsidiary(s) to insiders and their interest	0	0
Pledged securities	0	0
Fair value of securities classified as available-for-sale	0	0
Amortized cost of securities classified and held-to-maturity	0	0
Balances held by the subsidiary bank(s) due from nonbank subsidiaries of the parent bank holding company	0	0
Balances held by the subsidiary bank(s) due to nonbank subsidiaries of the parent bank holding company	0	0
Other assets		
Itemize and describe amounts that exceed 25% of other assets	0	0
Other liabilities		
Itemize and describe amounts that exceed 25% of other liabilities	0	0
Have all changes in investments and activities been reported to the Federal Reserve on the Bank Holding Company Report of Changes in Organizational Structure (FRY-10)	YES	YES
Short term borrowings		
From parent bank holding company	0	0
From subsidiary bank holding company	0	0
Long term borrowings		
From parent bank holding company	0	0
From subsidiary bank holding company	0	0
Total combined nonbank assets of nonbank subsidiaries	0	0
Combined thrift assets	0	0
Number of nonbank subsidiaries	0	0
Number of thrift subsidiaries	0	0
Do your aggregate nonfinancial equity investments equal or exceed 5% of the BHC's total capital as of the report date?	NO	NO
Has the bank holding company made and effective election to become a financial holding company?	NO	NO
Does the bank holding company hold, directly or indirectly, an Edge Corp., agreement corporation, or Small business investment company (SBIC) Subsidiary or Hold equities under section 4(c) (6) or 4 (c) (7) of the Bank Holding Company Act?	NO	NO

**ODEM BANCSHARES, INC.  
2017 ANNUAL DISCLOSURE STATEMENT**

**INCOME STATEMENT**

	Year Ending December 31,	
	2017	2016
Income from bank subsidiary		
Dividends	500	0
Other income	0	0
Income from nonbank subsidiary		
Dividends	0	0
Other income	0	0
Income from subsidiary bank holding company(s)		
Dividends	0	0
Other income	0	0
Other Income	4	4
<b>TOTAL OPERATING INCOME</b>	<b>504</b>	<b>4</b>
Interest expense	0	0
Other expense	89	87
<b>TOTAL OPERATING EXPENSE</b>	<b>89</b>	<b>87</b>
Income (loss) before income taxes and before undistributed income of subsidiary(s)	415	-83
Applicable income taxes	-13	0
Income (loss) before undistributed income of subsidiary(s)	428	-83
Equity in undistributed income (loss) of subsidiary(s)		
Bank subsidiary(s)	750	1249
Nonbank subsidiary(s)	0	0
Subsidiary bank holding company(s)	0	0
<b>Net Income (loss)</b>	<b>1178</b>	<b>1166</b>
Cash dividends declared by the bank holding company to its shareholders	0	0
Does the reporting bank holding company have a Subchapter S election in effect for federal income tax purposes for the current tax year?	NO	NO

The information contained herein has been provided by this Holding Company, which was organized on May 21, 1994. This statement has not been reviewed, or confirmed for accuracy or relevance, by the Federal Deposit Insurance Corporation or the Federal Reserve System.

I do hereby attest that this Disclosure Statement has been prepared in conformance with the instructions issued by the appropriate federal regulatory authority and is true and correct to the best of my knowledge and belief.




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C.R. Miller, Jr.  
President  
Odem Bancshares, Inc.

Form FR-Y6

ODEM BANCSHARES, INC.

Fiscal Year Ending December 31, 2017

Report Item 3: Shareholders

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

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2017		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 12-31-2017	
(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)(c) Number and Percentage of Each Class of Voting Securities
Mission-Heights Capital, LTD Stuart D. Saunders, Limited Partner Houston, TX USA	USA	51,278- 40.10%	Sylvia Webb (Webb Family Trust) Odem, TX USA 8850 - 6.92%
R.L. Horne Sealy, TX USA	USA	15,425 - 12.06%	
C. R. Miller Jr, Portland, TX USA	USA	7,990- 6.25%	
No options or warrants are authorized Common stock only			

**FR Y-6**  
**ODEM BANCSHARES, INC.**  
 Fiscal Year End December 31, 2017

**Report Item 4: Insiders**

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

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & 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 name 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 percentages of voting securities held)
Stuart D. Saunders Mission Heights Enterprises, Inc Houston, TX USA	Investments Capital, LTD	Director	Director	Director- SouthTrust Bank (FSB)George West, TX Live Oak Bancshares, Inc	40.10% (OBS)	NONE (FSB)	Mission-Heights Limited Partner 40% Mission Heights, LLC Member- Manager 50% Mission Heights Capital, LTD Limited Partner – 40% M&S Partners Partner – 48% 602 Sawyer/MH, LLC Manager – 40% Mission-Heights H240KA, LLC Manager – 40%
E.M. Wood Corpus Christi, TX USA	Banking	Director-Chairman	Director-Chairman (FSB)	NONE	0.78% (OBS)	NONE (FSB)	NONE
C.R. Miller Jr Portland, Texas USA	Banking	Director-President	Director-President (FSB) (OBS, INC)	NONE	6.25% (OBS)	NONE (FSB)	NONE

Form FR Y-6  
**ODEM BANCSHARES, INC.**  
 December 31, 2017

**Report Item 4: Insiders**

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

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & 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 name 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 percentages of voting securities held)
Richard H. Whatley Corpus Christi, TX USA	Merchant	Director	Director (FSB)	Rianda, Inc. President/ Owner	.86% (OBS)	NONE (FSB)	Rianda, Inc 100%
Charles Wilson Robstown, TX USA	Retired Banker (FSB-O)	Director	Director (FSB)	NONE	.78% (OBS)	NONE (FSB)	NONE
Craig Cavitt Odem, TX USA	Banking	Secretary	Secretary/ Sr VP & C (FSB)	NONE	NONE (OBS)	NONE (FSB)	NONE
Ronald L Home Sealy, TX USA	Chemical Co President	Director	None	President Pencco, Inc.	12.06% (OBS)	NONE (FSB)	Pencco, Inc. 100% Pencco Transportation Services, Inc. 100% Pencco Materials Inc. 100%

OBS: Odem Bancshares, Inc. TX Parent Holding Company.

FSB: First State Bank of Odem, TX Subsidiary Insured depository Institution, owned 100% by OBS as result of merger of OFC on 4-4-2014