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 26A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 802, 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. Charles Fenoglio

Name of the Holding Company Director and Official
President/CEO/COB/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.

Signature of Holding Company Director and Official
03/05/2018

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.

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

Sanger Bancshares, Inc.

Legal Title of Holding Company

PO Box 1029

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

Sanger, TX 76266

City

State

Zip Code

501 N. Stemmons, Sanger, Texas 76266

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Cindy Pruett

Sr. VP/Cashier

Name

Title

940/458-4600

Area Code / Phone Number / Extension

940/458-4071

Area Code / FAX Number

cindy.pruett@sangerbank.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? 0=No 1=Yes

☐

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:

<table>
<thead>
<tr>
<th>Legal Title of Subsidiary Holding Company</th>
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<tbody>
<tr>
<td>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</td>
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12/2012
FEDERAL RESERVE BANK OF DALLAS
ANNUAL REPORT OF BANK HOLDING COMPANIES FR Y-6
SANGER BANCSHARES, INC.

REPORT ITEM 1:

N/A
Report Item 2: Organization Chart

Sanger Bancshares, Inc.
Sanger, Texas
Incorporated in Texas
USA

100% Ownership

Sanger Bank
Sanger, Texas
Incorporated in Texas
USA

Supplement to Organization Chart

None

LEI: None
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
Close: If the branch information is incorrect or incomplete, revise the data, enter 'Close' in the Data Action column and the date when this information first became valid in the Effective Date column.
Delete: If a branch listed was sold or closed, enter 'Delete' in the Data Action column.
Add: If a reportable branch is missing, insert a row, and the branch data, and enter 'Add' in the Data Action column and the opening or acquisition date in the Effective Date column.

Submission Procedure
When you are finished, send a saved copy to your FIIl contact. See the detailed instructions on this site for more information.
If you are e-mailing this to your FIII 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.

<table>
<thead>
<tr>
<th>Data Action</th>
<th>Effective Date</th>
<th>Branch Service Type</th>
<th>Branch ID</th>
<th>RSSD*</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>County</th>
<th>Country</th>
<th>FDIC URINUM*</th>
<th>Office Number*</th>
<th>Head Office</th>
<th>Head Office ID</th>
<th>RSSD*</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ol</td>
<td></td>
<td>Full Service (Head Office)</td>
<td>33651</td>
<td>SANGER BANK</td>
<td>sod NORTH SYMMONS</td>
<td>SANGER</td>
<td>TX</td>
<td>76266</td>
<td>DENTON</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>SANGER BANK</td>
<td>33651</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Report Item 3(1): Shareholders

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Common Shares</th>
<th>Country</th>
<th>Percentage Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charles Fenoglio Montague, Texas</td>
<td>34,000</td>
<td>USA</td>
<td>19.81%</td>
</tr>
<tr>
<td>Golston Family Partners Trust, Roxanne Golston Thomas, Trustee/President, Denton, Texas</td>
<td>16,674</td>
<td>USA</td>
<td>9.72%</td>
</tr>
<tr>
<td>James R. Kirkpatrick Denton, Texas</td>
<td>10,134</td>
<td>USA</td>
<td>5.90%</td>
</tr>
<tr>
<td>Richard Klement Gainesville, Texas</td>
<td>16,001</td>
<td>USA</td>
<td>9.32%</td>
</tr>
<tr>
<td>Andrews Ranch, L.P. Dallas, Texas</td>
<td>9000</td>
<td>USA</td>
<td>5.24%</td>
</tr>
<tr>
<td>John Karvounaris Krum, Texas</td>
<td>10,950</td>
<td>USA</td>
<td>6.38%</td>
</tr>
</tbody>
</table>

Report Item 3(2): Shareholders

<table>
<thead>
<tr>
<th>Name and Address</th>
<th>Number of Common Shares</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### FEDERAL RESERVE BANK OF DALLAS
### ANNUAL REPORT OF BANK HOLDING COMPANIES FR Y-6
### SANGER BANCSHARES, INC.
### SANGER, TEXAS
### FISCAL YEAR ENDING 12/31/2017

#### Report Item 4: INSIDERS

<table>
<thead>
<tr>
<th>Name and Address</th>
<th>Principal Occupation</th>
<th>Sanger Bancshares, Inc. Title/Position</th>
<th>Sanger Bank Title/Position</th>
<th>C&amp;M Enterprises &amp; Other Business</th>
<th>Number of Common Shares</th>
<th>Percentage of Shares in Subsidiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charles Fenoglio Montague, Texas</td>
<td>Banker</td>
<td>Pres/CEO/COB/Director</td>
<td>Sanger Bank Pres/CEO/COB/Director</td>
<td>Co-Owner</td>
<td>Co-Owner</td>
<td>19.81%</td>
</tr>
<tr>
<td>Margaret Long Montague, Texas</td>
<td>Banker</td>
<td>Vice COB/VP;Sec/Treas</td>
<td>Sanger Bank Branch President/Director</td>
<td>Co-Owner</td>
<td>Co-Owner</td>
<td>4.66%</td>
</tr>
<tr>
<td>Don R. Long, Jr. North Richland Hills, Texas</td>
<td>Healthcare Diagnostics</td>
<td>Director</td>
<td>Sanger Bank Director</td>
<td>Siemens</td>
<td>Sr. Manager</td>
<td>0.06%</td>
</tr>
<tr>
<td>James R. Kirkpatrick Denton, Texas</td>
<td>Architect</td>
<td>Director</td>
<td>Sanger Bank Director</td>
<td>Kirkpatrick Architect Studio</td>
<td>President</td>
<td>5.90%</td>
</tr>
<tr>
<td>Cindy Pruett Slidell, Texas</td>
<td>Banker</td>
<td>Director</td>
<td>Sanger Bank St VP/Cashier/Advisory Director</td>
<td>None</td>
<td>None</td>
<td>0.00%</td>
</tr>
</tbody>
</table>