

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

None

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

Reporter's Name, Street, and Mailing Address

I, **Kelly Barclay**

Name of the Holding Company Director and Official

**President and 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.

**ONB Bancshares, Inc.**

Legal Title of Holding Company

**P.O. Box 430**

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

**Ozona TX 76943-0430**

City State Zip Code

**503 11th Street, Ozona, Texas 76943-0430**

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

**Kelly Barclay President and Director**

Name Title

**512-847-8200**

Area Code / Phone Number / Extension

**512-847-2497**

Area Code / FAX Number

**KellyB@ozonabank.com**

E-mail Address

**www.ozonabank.com**

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

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

Is confidential treatment requested for any portion of this report submission?  No  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."

ONB Bancshares, Inc.  
Organizational Chart  
December 31, 2017

**ONB**  
**Bancshares, Inc.**  
**Ozona, TX**  
**Incorporated in Texas**

100% ownership

**The Ozona National Bank**  
**Ozona, Texas**  
**(Bank Subsidiary)**  
**Incorporated in Texas**

Note: No entity has a Legal Entity Identifier (LEI) number.

Results: A list of branches for your depository institution: OZONA NATIONAL BANK, THE (ID\_RSSD: 780263).  
 This depository institution is held by ONB BANCSHARES, INC. (3491869) of OZONA, TX.  
 The data are as of 12/31/2017. Data reflects information that was received and processed through 01/04/2018.

Exhibit B

**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*	Popular 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)	780263	OZONA NATIONAL BANK, THE	503 11TH ST	OZONA	TX	76943	CROCKETT	UNITED STATES	Not Required	Not Required	OZONA NATIONAL BANK, THE	780263	
OK		Full Service	4676364	SAN ANTONIO BRANCH	14100 HIGHWAY 281, SUITE 100	SAN ANTONIO	TX	78262	BEXAR	UNITED STATES	Not Required	Not Required	OZONA NATIONAL BANK, THE	780263	
OK		Full Service	2991755	SAN MARCOS BRANCH	141 W HOPKINS	SAN MARCOS	TX	78666	HAYS	UNITED STATES	Not Required	Not Required	OZONA NATIONAL BANK, THE	780263	
OK		Full Service	303167	DRIVE-THRU FACILITY	101 RIVER ROAD	WIMBERLEY	TX	78676	HAYS	UNITED STATES	Not Required	Not Required	OZONA NATIONAL BANK, THE	780263	
OK		Full Service	1456912	WIMBERLEY BRANCH	RANCH ROAD 12 & RIVER ROAD	WIMBERLEY	TX	78676-9717	HAYS	UNITED STATES	Not Required	Not Required	OZONA NATIONAL BANK, THE	780263	

## ONB Bancshares, Inc.

## 5% Shareholder Control Groups

December 31, 2017

Name	City, State, Country	Citizenship	Common Shares Owned / Controlled	Percentage of Total
<b>Directors:</b>				
George L. Bunger, Jr.	Ozona, TX, USA	USA	6,265	15.85%
Frank C. White	Ozona, TX, USA	USA	5,544	14.03%
Thomas Cameron	Ozona, TX, USA	USA	5,066	12.82%
Louis Bunger	Ozona, TX, USA	USA	2,977	7.53%
James Oliver	Ozona, TX, USA	USA	2,818	7.13%
Douglas Bean	Ozona, TX, USA	USA	2,764	6.99%
Susan White McNeill	New Market, MD, USA	USA	5,544	14.03%
G. L. Bunger V	Ozona, TX USA	USA	2,563	6.48%
<b>Non-Directors:</b>				
Joe Bean	Ozona, TX, USA	USA	3,640	9.21%
Helen Bean	Ozona, TX, USA	USA	5,678	14.36%
Laura Anne White	Houston, TX, USA	USA	5,544	14.03%
June Bunger Cameron	Ozona, TX, USA	USA	5,066	12.82%
Wesley Joe Bean	Ozona, TX, USA	USA	4,520	11.43%
Ryan David Bean	Ozona, TX, USA	USA	4,520	11.43%
Kimberly Bean Childress	Ozona, TX, USA	USA	4,520	11.43%
Kathryn Cameron Oliver	Ozona, TX, USA	USA	2,818	7.13%
Alexandra Bean Moore	Sonora, TX, USA	USA	2,350	5.95%
Kristin Bunger Shanklin	Rocksprings, TX USA	USA	2,563	6.48%

Report Item 3 (2) note:

Note: No changes in the 5% or more control group during the year ended December 31, 2017.

## ONB Bancshares, Inc.

## Insiders

December 31, 2017

Name / Address (all U.S.A.)	Occupation other than HC	Position with HC	Position with Subsidiaries	Position with Other Businesses	Percent Shares Owned of HC	Percent Shares Owned in Subs.	Names of Other Companies Greater Than 25% Owned
George Bunger, Jr. Ozona, TX	Rancher	Director & Chairman; Principal Shareholder	Director & Chairman (Ozona National Bank)	Partner – Bunger & Cameron Partnership; Partner – G & L Livestock; President – Bunger & Cameron Corp.	15.85%*	None	Bunger & Cameron Partnership – 50% G & L Livestock – 50% Bunger & Cameron Corp. – 25%
Dan Pullen Ozona, TX	Retired	Director	Director (Ozona National Bank)	None	0.36%	None	None
Kelly Barclay Wimberley, TX	Banker	Director & President	Director & President / CEO (Ozona National Bank)	Manager – XKAB, LLC	0.34%	None	XKAB, LLC – 100%
G. Douglas Bean Ozona, TX	Rancher	Director	Director (Ozona National Bank)	Owner (all following) – Adobe Ranch Co., RP Properties, REGO LLC, BeMo, LLC, Crockett Energy LLC, Bean & Bean Inc., Croc-Tex LLC, and TDB Ventures LLC	6.99%*	None	Adobe Ranch Co.; RP Properties; REGO LLC – 100% BeMo LLC – 50% Crockett Energy LLC – 46.5% Bean & Bean Inc.; Croc-Tex LLC – 50%; TDB Ventures, LLC – 100%

G. Louis Bunger Ozona, TX	Rancher	Director	Director (Ozona National Bank)	Partner – G & L Livestock	7.53%*	None	G & L Livestock – 50%
Thomas Cameron Ozona, TX	Attorney	Director & Principal Shareholder	Director & General Counsel (Ozona National Bank)	Partner – Bunger & Cameron; Owner – Crockett Co. Abstract; Partner – Cameron & Oliver; Owner – T. Cameron Attorney at Law	12.82%*	None	Bunger & Cameron – 50% Crockett Co. Abstract – 100% Cameron & Oliver – 50% T. Cameron Attorney at Law – 100%
Don W. Long Ozona, TX	Retired	Director	Director (Ozona National Bank)	None	0.94%	None	None
Frank C. White Ozona, TX	Retired	Director and Vice Chairman; Principal Shareholder	Director & Vice Chairman (Ozona National Bank)	None	14.03%*	None	None
James Oliver Ozona, TX	Rancher	Director	Director (Ozona National Bank)	Partner and VP – Blackbrush Cattle Co., LLC; Partner and President – Oliver Land & Cattle Co., LLC and Oliver Enterprises, LLC	7.13%*	None	Blackbrush Cattle Co., LLC – 50% Oliver Land & Cattle Co., LLC – 50% Oliver Enterprises, LLC – 50%
Susan McNeil New Market, MD	Consultant	Director; Principal Shareholder	Director (Ozona National Bank)	President / Director – McNeill Consulting Services Inc.	14.03%*	None	McNeill Consulting Services, Inc. – 50%
G. L. Bunger V Ozona, TX	Rancher / Real Estate investor	Director	Director (Ozona National Bank)	Owner – Bunger Real Estate Co., LLC	6.48%	None	Bunger Real Estate Co., LLC – 100%
Joe Stubbs San Marcos, TX	Banker	Secretary / Treasurer	CFO (Ozona National Bank)	None	None	None	None

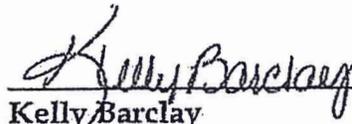
James E. Skehan Ozona, TX	Banker	None	Advisory Director and Executive Vice President (Ozona National Bank)	None	0.17%	None	None
Helen Bean Ozona, TX	Rancher	Principal Shareholder	None	None	14.36%*	None	N/A
Laura Anne White Houston, TX	Investment banker	Principal Shareholder	None	None	14.03%*	None	N/A
June Bungler Cameron Ozona, TX	Rancher	Principal Shareholder	None	None	12.82%*	None	N/A
Wesley Joe Bean Ozona, TX	Rancher	Principal Shareholder	None	None	11.43%*	None	N/A
Ryan David Bean Ozona, TX	Rancher	Principal Shareholder	None	None	11.43%*	None	N/A
Kimberly Bean Childress Ozona, TX	Housewife	Principal Shareholder	None	None	11.43%*	None	N/A

\* Includes shares owned by attribution

**ONB Bancshares,  
Inc.  
and Subsidiary,  
Ozona National  
Bank**

**Annual Financial Disclosure Statement  
As of December 31, 2017**

The information contained in this report is correct; however, this statement has not been reviewed, or confirmed for accuracy or relevance by the Office of the Comptroller of the Currency.



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Kelly Barclay  
President and Chief Executive Officer

**ONB Bancshares, Inc. and Subsidiary, Ozona National Bank**  
**Consolidated Balance Sheets**  
**December 31, 2017 and 2016**

<b>Assets</b>	<b>2017</b>	<b>2016</b>
	<u><b>(consolidated)</b></u>	<u><b>(consolidated)</b></u>
Cash and due from banks	<b>\$4,453,915</b>	<b>\$5,301,419</b>
Federal funds sold	<b>\$0</b>	<b>\$0</b>
Cash and cash equivalents	<b>\$4,453,915</b>	<b>\$5,301,419</b>
Interest-bearing deposits in banks	<b>\$22,439,661</b>	<b>\$19,612,522</b>
Securities available for sale	<b>\$26,772,167</b>	<b>\$32,176,366</b>
Securities to be held to maturity (fair values of \$18,846,540 and \$18,819,694 at December 31, 2017 and 2016, respectively)	<b>\$18,908,754</b>	<b>\$18,904,542</b>
Loans - net of allowance for loan losses of \$2,028,716 (\$1,741,306 in 2016)	<b>\$165,809,835</b>	<b>\$152,948,738</b>
Bank premises and equipment - net	<b>\$2,534,567</b>	<b>\$2,336,712</b>
Cash surrender value - officers' life insurance	<b>\$4,964,196</b>	<b>\$4,831,941</b>
Accrued interest receivable	<b>\$946,853</b>	<b>\$934,201</b>
Prepaid expenses and other assets	<b><u>\$742,557</u></b>	<b><u>\$695,293</u></b>
<b>Total Assets</b>	<b>\$247,572,507</b>	<b>\$237,741,734</b>

**ONB Bancshares, Inc. and Subsidiary, Ozona National Bank**  
**Consolidated Balance Sheets**  
December 31, 2017 and 2016

	<b>2017</b>	<b>2016</b>
	<u>(consolidated)</u>	<u>(consolidated)</u>
<b>Liabilities</b>		
<b>Deposits</b>		
Noninterest-bearing	\$84,820,975	\$77,603,579
Interest-bearing	<u>\$134,989,882</u>	<u>\$134,014,883</u>
<b>Total Deposits</b>	<b>\$219,810,857</b>	<b>\$211,618,463</b>
Accrued interest payable and other liabilities	<u>\$1,281,976</u>	<u>\$1,058,852</u>
<b>Total Liabilities</b>	<b>\$221,092,833</b>	<b>\$212,677,314</b>
<b>Stockholders' Equity</b>		
Common stock - \$10 par value, 40,000 shares authorized and issued; (39,528 shares outstanding in 2017 and 39,578 in 2016)	<b>\$400,000</b>	<b>\$400,000</b>
Surplus	<b>\$600,000</b>	<b>\$600,000</b>
Retained earnings	<b>\$25,784,185</b>	<b>\$24,249,374</b>
Treasury Stock - shares at cost; (472 shares in 2017 and 422 in 2016)	<b>(\$264,559)</b>	<b>(\$232,787)</b>
Accumulated other comprehensive income	<u><b>(\$39,953)</b></u>	<u><b>\$47,833</b></u>
<b>Total Stockholders' Equity</b>	<b>\$26,479,673</b>	<b>\$25,064,419</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$247,572,507</b>	<b>\$237,741,734</b>

**ONB Bancshares, Inc. and Subsidiary, Ozona National Bank**  
**Consolidated Statements of Income**  
**Years ended December 31, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
	<u><b>(consolidated)</b></u>	<u><b>(consolidated)</b></u>
<b>Interest income</b>		
Loans - including fees	\$9,414,868	\$8,693,100
Securities available for sale	\$459,088	\$511,345
Securities to be held to maturity	\$276,923	\$269,001
Other investments income	\$39,413	\$347,675
Interest-bearing deposits in banks	<u>\$258,529</u>	<u>\$82,348</u>
<b>Total interest income</b>	<b>\$10,448,821</b>	<b>\$9,903,469</b>
<b>Total interest expense</b>	<u><b>\$189,668</b></u>	<u><b>\$188,641</b></u>
<b>Net interest income</b>	<b>\$10,259,153</b>	<b>\$9,714,827</b>
<b>Provision for loan losses</b>	<u><b>\$413,000</b></u>	<u><b>\$907,000</b></u>
<b>Net interest income after provision for loan losses</b>	<b>\$9,846,153</b>	<b>\$8,807,827</b>
<b>Noninterest income - service charges, fees, and miscellaneous</b>	<b>\$1,813,179</b>	<b>\$1,991,123</b>
<b>Noninterest expenses</b>	<u><b>\$9,415,929</b></u>	<u><b>\$9,029,771</b></u>
<b>Net income</b>	<u><u><b>\$2,243,403</b></u></u>	<u><u><b>\$1,769,180</b></u></u>

**ONB Bancshares, Inc. and Subsidiary, Ozona National Bank**  
**Consolidated Statements of Changes in Stockholders' Equity**  
**Years Ended December 31, 2017 and 2016**

	<u>Common Stock</u>	<u>Surplus</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	<u>Accumulated other Comprehensive Income (Loss)</u>	<u>Total</u>
	\$400,000	\$600,000	\$23,875,923	-\$232,787	-\$136,386	\$24,606,751
<b>Balance at December 31, 2015</b>						
Net income - year ended December 31, 2016	-	-	\$1,768,180	-	-	\$1,768,180
Change in net unrealized gain(loss) on securities available for sale, net of tax effect	-	-	-	-	\$184,218	\$184,218
Cash dividends declared	-	-	(\$1,394,729)	-	-	(\$1,394,729)
<b>Balance at December 31, 2016</b>	<u>\$400,000</u>	<u>\$600,000</u>	<u>\$24,249,374</u>	<u>-\$232,787</u>	<u>\$47,833</u>	<u>\$25,064,420</u>
Net income - year ended December 31, 2017	-	-	\$2,243,403	-	-	\$2,243,403
Change in net unrealized gain(loss) on securities available for sale, net of tax effect	-	-	-	-	(\$87,786)	(\$87,786)
Purchase of treasury stock	-	-	-	-\$31,772	-	-\$31,772
Cash dividends declared	-	-	(\$707,592)	-	-	(\$707,592)
<b>Balance at December 31, 2017</b>	<u>\$400,000</u>	<u>\$600,000</u>	<u>\$25,785,186</u>	<u>-\$264,559</u>	<u>-\$39,953</u>	<u>\$26,480,674</u>

**Ozona National Bank**  
**Allowance for Loan and Deposit Loss, Past Due, and Nonaccrual Loans**  
**December 31, 2017 and 2016**

<b>Changes in the allowance for loan and deposit loss</b>	<b>2017</b>	<b>2016</b>
	<u>(Bank only)</u>	<u>(Bank only)</u>
Balance at beginning of year	<b>\$1,741,306</b>	\$1,565,230
Provisions charged to operations	<b>\$413,000</b>	\$907,000
Charged off	<b>(\$273,202)</b>	(\$748,371)
Recovered	<b><u>\$147,631</u></b>	<u>\$17,447</u>
<b>Balance at end of year</b>	<b>\$2,028,735</b>	\$1,741,306

<b>Past due 90 days or more</b>		
Real estate	<b>\$134,952</b>	\$246,300
Installment loans	<b>\$0</b>	\$0
Credit Cards and related plans	<b>\$0</b>	\$0
Commercial (time and demand) and all other loans	<b>\$156</b>	\$315,959
Lease financing receivables	<b><u>\$0</u></b>	<u>\$0</u>
<b>Total</b>	<b>\$135,108</b>	\$562,259

<b>Nonaccrual Loans</b>		
Real estate	<b>\$2,416,167</b>	\$1,021,176
Installment loans	<b>\$0</b>	\$0
Credit Cards and related plans	<b>\$0</b>	\$0
Commercial (time and demand) and all other loans	<b>\$0</b>	\$455,278
Lease financing receivables	<b><u>\$0</u></b>	<u>\$0</u>
<b>Total</b>	<b>\$2,416,167</b>	\$1,476,453