

RECEIVED FEB 03 2012



Annual Report of Bank 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)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11 (a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)). 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 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). 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 Bank Holding Companies* must be signed by one director of the top-tier bank holding company. This individual should also be a senior official of the top-tier bank holding company. In the event that the top-tier bank 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.

Date of Report (top-tier bank holding company's fiscal year-end):

12/31/2011

Month / Day / Year

1. Jim H. Davis
Name of the Bank Holding Company Director and Official
President & CEO
Title of the Bank Holding Company Director and Official

Reporter's Name, Street, and Mailing Address

Valley Bancshares, Inc.

Legal Title of Bank Holding Company

P. O. Box 1234

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

Russellville, AL

City

State

35653

Zip Code

attest that the *Annual Report of Bank Holding Companies* (including the supporting attachments) for this report date have 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.

15565 Hwy. 43; Russellville, AL 35653

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:

Wanda H. Baker,

Name

Vice President/Cashier

Title

256-332-3600

Area Code / Phone Number / Extension

256-332-3938

Area Code / FAX Number

wbaker@valleystate.com

E-mail Address

www.valleystate.com

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

Signature of Bank Holding Company Director and Official

January 30, 2012

Date of Signature

Does the reporter request confidential treatment for any portion of this submission?

Yes Please identify the report items to which this request applies:

In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.

The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

No

For bank 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.

1493609

Results: A list of branches for your depository institution: VALLEY STATE BANK (ID_RSSD: 595337).
 This depository institution is held by VALLEY BANCSHARES, INC. (1493609) of RUSSELLVILLE, AL.
 The data are as of 12/31/2011. Data reflects information that was received and processed through 01/05/2012.

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>.

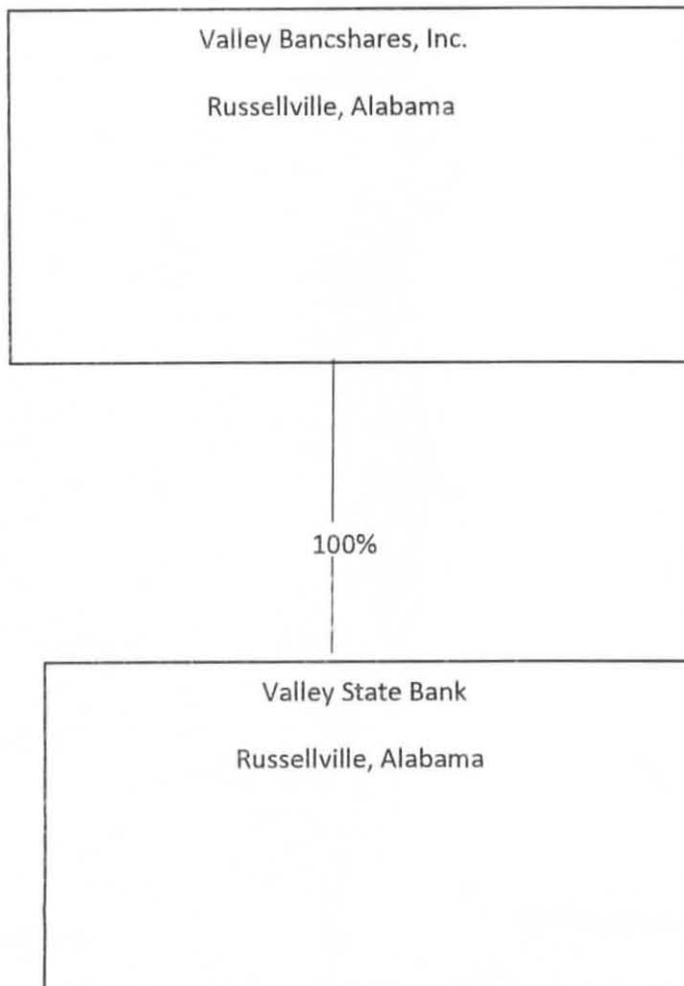
* FDIC UNINUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

Data Action	Effective Date	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
Correct		Service	595337	BANK	15565 HIGHWAY 43	RUSSELLVILLE	AL	35653	FRANKLIN	UNITED STATES	32301	0	VALLEY STATE BANK	595337	
Correct		Service	3617034	BRANCH	SOUTHEAST	RED BAY	AL	35582	FRANKLIN	UNITED STATES	464785	4	VALLEY STATE BANK	595337	
Correct		Limited	2078478	LITTLEVILLE	HIGHWAY 43,	RUSSELLVILLE	AL	35653	COLBERT	UNITED STATES	258457	1	VALLEY STATE BANK	595337	
Correct		Limited	3068690	NORTH JACKSON	308 NORTH	RUSSELLVILLE	AL	35653	FRANKLIN	UNITED STATES	362570	2	VALLEY STATE BANK	595337	
Correct		Limited	3342653	WALMART	13675 HIGHWAY 43	RUSSELLVILLE	AL	35653	FRANKLIN	UNITED STATES	442244	3	VALLEY STATE BANK	595337	

Form FR Y-6
Valley Bancshares, Inc.
15565 Hwy. 43
Russellville, AL 35653
Fiscal Year Ended December 31, 2011

Report Item:

1. The BHC does not prepare an annual report for its shareholders.
2. Organization Chart:



Report Item 3: Shareholders

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12/31/11

Name & Address	Country of Citizenship or Incorporation	Number & % of each class of voting securities
Ila Scott Revocable Trust 6/26/02 Russellville, Ala.; USA	USA	15,400 shares – 10.32% Common stock
Danny Gist Russellville Ala.; USA	USA	7,460 shares – 5.00% Common stock
Jerry James Russellville, Ala.; USA	USA	13,133 shares – 8.80% Common stock
Rogers Investments, LP Russellville, Ala.; USA	USA	65,800 shares – 44.13% Common stock

Shareholders not listed that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12/31/11.

Name & Address	Country of Citizenship or Incorporation	Number & % of each class of voting securities
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Report Item 4: Insiders
 Valley State Bank
 Form FR Y-6
 December 31, 2011

Names & Addresses	Principal occupation if Other than with Bank Holding Company	Title & Position with Bank Holding Co.	Title & Position with Valley State Bank	Title & Position with other businesses (name)	% of voting shares in Bank Holding Co.	% of voting shares in Subsidiaries	Names of other companies (includes Partnerships) if 25% Or more of voting Securities are held (List companies & % of voting securities)
Danny Gist Russellville, Ala.; USA	Executive	Director	Director	General Southern Ind. Inc. President G & G Steel Inc. – Pres. Franklin Mfg. – Pres. Warrior River Steel – Pres. Tuscumbia Limited LLC – Mgr.	5.00%	NA	General Southern Ind. Inc. – 100% G & G Steel Inc. – 100% Franklin Mfg. – 100% Warrior River Steel – 37% Tuscumbia Limited LLC – 100%
Joe M. Tucker Russellville, Ala.; USA	CPA	Director	Director	Joe M. Tucker, CPA – Owner	0.17%	NA	Joe M. Tucker, CPA – 100%
Raymond Grissom Russellville, Ala.; USA	Retired	Director	Director Vice Chairman		0.20%	NA	
Ila Scott Revocable Trust 6/26/02 Trust Ila Scott, Trustee Russellville, Ala.; USA		NA	NA	NA	10.32%	NA	Scott Equip. Co. Inc. – 100%
Rogers Investments, LP Russellville, Ala.; USA	NA	NA	NA	NA	44.13%	NA	NA
Greg Trapp Russellville, Ala.; USA	Self-Employed	Director	Director	Fleet Partners – President	0.67%	NA	Fleet Partners – 60%
Robert I. Rogers, Jr. Russellville, Ala.; USA	Attorney	Chairman Director	Chairman Director	See Attached	1.69%	NA	See Attached
Jim H. Davis Golden, MS; USA	NA	Director President	Director President	Ridgecrest Funeral Homes Inc. President	0.27%	NA	Ridgecrest Funeral Homes Inc. – 100%

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December 31, 2011

Robert P Rogers Jr.
am

Attachment to Item 4 (3) (c) and 4 (c)

<u>Name</u>	<u>% Ownership</u>	<u>No. of Shares</u>
Rockwood Farms, Inc.	28% Shareholder	<u>277 Shares</u>
Winston Place Properties, Inc.	50% Shareholder	<u>500 Shares</u>
Rogers Investments LP	24% Co-Manager	<u>495 Units</u>
Rogers Land & Cattle Co., LLC	26% Member	
Rogers Family Partnership, LP	1% General Partner	
Rogers Family Holdings, LLC	50% Partner	
Bedford, Rogers & Bowling, P.C.	50% Shareholder	<u>500 Shares</u>
M & R Timberlands	50% Partner	
NAB Inc.	20 % Shareholder	
OPC LLC/Franklin Pharmacy LLC	6.5% Member	

All companies are located in the city of Russellville, county of Franklin, state of Alabama, and country of The United States.