

**Board of Governors of the Federal Reserve System**



**Annual Report of Holding Companies—FR Y-6**

MAR 30 REC'D

**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, DAVID M WATFORD  
 Name of the Holding Company Director and Official  
VICE 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.*

[Signature]  
 Signature of Holding Company Director and Official  
03/23/2018  
 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 1085415  
 C.I. \_\_\_\_\_

**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

PBG FINANCIAL SERVICES, INC

Legal Title of Holding Company

P.O. BOX 596

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

GRACEVILLE, FL 32440

City State Zip Code

5306 BROWN STREET, GRACEVILLE, FL 32440

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

CAROL C SMITH TREAS

Name Title

850-263-3267

Area Code / Phone Number / Extension

850-263-7597

Area Code / FAX Number

carolsmith@peoplesgraceville.com

E-mail Address

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."

**FORM FR-Y6**

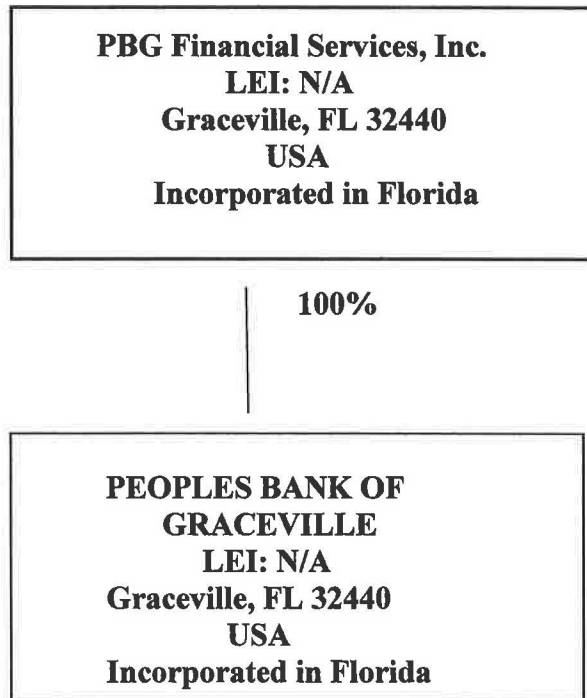
**PBG FINANCIAL SERVICES, INC.**

**GRACEVILLE, FLORIDA 32440**

**FISCAL YEAR ENDING DECEMBER 31, 2017**

1. PBG Financial Services, Inc. prepares a report for its shareholders.  
Two copies are enclosed

2a. Organizational Chart



2b. Branch report verified per E-Mail on March 15, 2018.

**Results:** A list of branches for your depository institution: **PEOPLES BANK OF GRACEVILLE (ID\_RSSD: 717232)**.  
 This depository institution is held by **PBG FINANCIAL SERVICES, INC. (1085415) of GRACEVILLE, FL**.  
 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*	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)	717232	PEOPLES BANK OF GRACEVILLE	5306 BROWN STREET	GRACEVILLE	FL	32440	JACKSON	UNITED STATES	Not Required	Not Required	PEOPLES BANK OF GRACEVILLE	717232	

**FORM FR Y-6**  
**PBG Financial Services, Inc.**  
 DECEMBER 31, 2017

REPORT ITEM 3: Securities Holders  
 (1)(a), (1)(b), (1)(c)

(1)(a) Name & Address (City, State, Country)	(1) (b) Country of Citizenship of Incorporation	(1) (c) Number & Percentages of Each Class of Voting Securities
Scott Howell Graceville, FL USA	United States	1351 Shares, 6.76% common stock
Suzanne M. Sheffield & Joseph A. Sheffield Jacksonville, FL USA	United States	2324 Shares, 11.62% common stock
C. Finley McRae Graceville, USA	United States	1088 Shares, 5.44% common stock
Donald R. & Anne Graham Graceville, FL USA	United States	1100 Shares, 5.51% common stock
Robert F. McRae, Jr. (Children's Grantor Trust) Graceville, FL USA	United States	2761 Shares, 13.81% common stock
C. Finley McRae (Children's Trust Accts.) Graceville, FL USA	United States	4096 Shares, 20.48% common stock
*David M. Pelham Dunedin, FL USA	United States	338 shares, 1.69% common stock
*John Clifford Pelham Immokalee, FL USA	United States	338 shares, 1.69% common stock
*Kenneth Boyd Pelham Maitland, FL USA	United States	337 shares, 1.69% common stock
*Robert Frank Pelham Orlando, FL USA	United States	338 shares, 1.69% common stock

\*\*\*Brothers-Together they hold 6.76% common stock

(2) (a), (2) (b), (2) (c)

NONE

FORM FR Y-6  
**PBG FINANCIAL SERVICES, 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 names 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 Percentage of voting securities Held)
Donald R. Graham Graceville, Fl. 32440 USA	Chairman, Inv. Officer Peoples Bank of Graceville	Pres. /Chrm. & Director	Chrm. & Director (Peoples Bank of Graceville)	None	5.51%	None	None
Michael T Smith Graceville, Fl 32440 USA	Comptroller Rex Lumber & Related Companies	Director	Director (Peoples Bank of Graceville)	None	0.79%	None	None
Joseph Jernigan Graceville, Fl. 32440 USA	CEO Arnold Lumber Co.	Director	Director (Peoples Bank of Graceville)	CEO Jernigan Co. LLC Chrm. CEO Arnold Lumber Co Mg. Member Jernigan Forest Products, LLC	0.1%	None	Jernigan Co., LLC 100% Arnold Lumber 100% Jernigan Forest Products 80%

Ronald Barber Graceville, Fl.32440 USA	Mgr. /Owner Campbellton Farm Service	Director	Director (Peoples Bank of Graceville)		.56%	None	
				Partner Donald/Ronald Farms.			Donald/Ronald Farms 50%
Caroline Dauzat Miramar Beach, Fl. 32550, USA	CFO Rex Lumber	Director	Director (Peoples Bank of Graceville)		4.09%	None	Apalachee Pole Co 33%
				Owner Apalachee Pole Co			
David M. Watford Graceville, FL 32440 USA	President Peoples Bank Graceville	VP/Director	Pres., CEO, V. Chrm. Director, (Peoples Bank of Graceville)	None	.4%	None	None
John B. Turner Dothan, AL 36305 USA	Auditor Peoples Bank Graceville	Director Secretary	Sec/Director (Peoples Bank of Graceville)	None	.72%	None	None
Carol C. Smith Graceville, FL 32440 USA	EVP/Cashier Peoples Bank of Graceville	Treasurer	EVP & Cashier (Peoples Bank Graceville)	None	.79%	None	None
C Finley McRae Children's Trust Acct USA	N/A	N/A	N/A	N/A	20.48%	N/A	N/A
Robert F McRae Children's Trust Acct USA	N/A	N/A	N/A	N/A	13.81%	N/A	N/A
Suzanne M. Sheffield Jacksonville, Fl.32207 USA	Retired	N/A	N/A	See below	11.62	None	See Below

BMMS Properties, Inc., a Florida Corporation, 37.5000%  
SHEFCO, LLC, Manager/Member; 50%  
S & H Enterprises, LLC, Manager/Member; 50%  
Jackson Duval, LLC, Manager/Member; 50%  
H & S Partners, LLC, Manager/Member; 50%  
McShef, LLC, Manager/Member: 50%