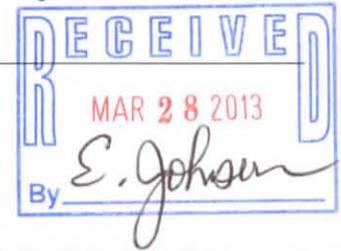


Board of Governors of the Federal Reserve System



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)); 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)) and section 10(c)(2)(H) of the Home Owners' Loan Act. 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 and top-tier savings and loan 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.

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

December 31, 2012

Month / Day / Year

I, **Loralee Hutchinson**

Reporter's Name, Street, and Mailing Address

Alarion Financial Services, Inc.

Legal Title of Holding Company

One NE First Ave

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

Ocala

FL

34470

City

State

Zip Code

Name of the Holding Company Director and Official

CEO & President

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.

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:

Matthew Ivers

Chief Financial Officer

Name

Title

352 547-1222

Area Code / Phone Number / Extension

352 547-1211

Area Code / FAX Number

matt.ivers@alarionbank.com

E-mail Address

Loralee W. Hutchinson

Signature of Holding Company Director and Official

03/26/2013

Date of Signature

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

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 3382891
C.I. _____

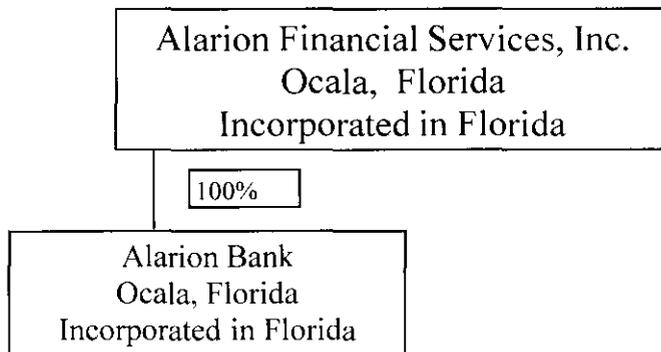
Does the reporter request confidential treatment for any portion of this submission?
 Yes Please identify the report items to which this request applies:
 In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.
 The information for which confidential treatment is sought is being submitted separately labeled "Confidential."
 No

FORM FR Y-6
ALARION FINANCIAL SERVICES INC.
FISCAL YEAR ENDING DECEMBER 31, 2012

Report Item 1: Annual Report to Shareholders

Alarion Financial Services, Inc. prepares an annual report for its securities holders and is not registered with the SEC. Copies will be sent under separate cover when prepared.

Report Item 2a: Organizational Chart



Results: A list of branches for your holding company: ALARION FINANCIAL SERVICES, INC (3382891) of OCALA, FL.
The data are as of 12/31/2012. Data reflects information that was received and processed through 02/24/2013.

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)	3333848	ALARION BANK	ONE NORTHEAST FIRST AVENUE	OCALA	FL	34470	MARION	UNITED STATES	428073	0	ALARION BANK	3333848	
OK		Full Service	3557309	ALACHUA BRANCH	16404 NW 174TH DRIVE	ALACHUA	FL	32615	ALACHUA	UNITED STATES	457864	4	ALARION BANK	3333848	
OK		Full Service	3443112	34TH STREET BRANCH	4200 SW 34TH STREET	GAINESVILLE	FL	32608	ALACHUA	UNITED STATES	450571	3	ALARION BANK	3333848	
OK		Full Service	3388709	GAINESVILLE BRANCH	4373 NEWBERYY ROAD	GAINESVILLE	FL	32605	ALACHUA	UNITED STATES	444363	2	ALARION BANK	3333848	
OK		Full Service	3607316	17TH SREET BRANCH	2510 MARICAMP ROAD	OCALA	FL	34471	MARION	UNITED STATES	464795	5	ALARION BANK	3333848	
OK		Full Service	3811346	SR200 BRANCH	7605 SW HIGHWAY 200	OCALA	FL	34476	MARION	UNITED STATES	479400	6	ALARION BANK	3333848	

2,633,208

FORM FR Y-6
ALARION FINANCIAL SERVICES INC.
FISCAL YEAR ENDING DECEMBER 31, 2012

Report Item 3: Shareholders

Current shareholders with ownership, control or
holdings of 5% or more with power to vote as of fiscal
year ending

(a) NAME, CITY AND STATE/COUNTRY	(b) Country of citizenship	(direct & indirect) Number of Shares	% of each class
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N/A

Report Item 3 {section 2}
N/A

ALARION FINANCIAL SERVICES INC.
FORM FR Y-6
FISCAL YEAR ENDING DECEMBER 31, 2012

Report Item 4: Insiders

Name & Address (City, State, Country)	Principal Occupation if other than with Co.	Title & Position w. BHC	Title & Position w. Subs (sub name)	Title & Positions Other Busi. (Bus. Name)	% of Voting Shares in BHC	% of Voting Shares in Subs	List names of other companies (partn) if 25% or more of voting securities held
Carol R. Bosshardt Gainesville, FL	Realtor	Director	Director (Alarion Bank)	Chief Executive Officer of Bosshardt Realty Services	3.62%	N/A	STACAR, LLP – 75% Bosshardt Realty Services of Gulf Coast, Inc. – 50% Bosshardt Realty Services, Inc. – 100% Bosshardt Property Management, Inc. – 100% Waterford Title Insurance Company, Inc. – 75% Rockford-Gainesville, LLC – 50% Bosshardt Group, LLC – 70% A High Yield, LLC Gainesville - 79% SW 34th Street Mini Storage, LLC - 95% Waldo Road Investments, Inc. – 25% Bella Vista of Gainesville, LLC - 44% Smart Media, LLC-Gainesville - 100%
Gloria W. Fletcher Gainesville, FL	Attorney	Director	Director (Alarion Bank)	Attorney with Gloria W. Fletcher, P.A.	2.37%	N/A	Gloria W. Fletcher, P.A. – 100% Legacy Realty & Property, LLC – 30% Legacy Porperty Development, Inc. – 25% W Group Property Management, LLC - 25%
Jon M. Kurtz Ocala, FL	Business Owner	Director	Director (Alarion Bank)	Owner, K4 Ventures, Inc.	3.56%	N/A	K4 Ventures, Inc. – 50% KayJon, LLC – 50% Palm Cay Utilities, Inc. – 50% Whithill, LLC – 50% B&K Partnership – 50% Pine Run, LLC – 45% K2D2, LLC - 45% Waldo Road Partner, LLC - 25% K4 Partners, LLC - 50%
Ignacio L. Leon Ocala, FL	Veterinarian	Director	Director (Alarion Bank)	Manager, Haras Santa Maria De Araras, S.A.	1.13%	N/A	NONE
Loralee W. Hutchinson Gainesville, FL	Realtor and independent contractor	Director and Chairperson	President & CEO of Alarion Bank and Alarion Financial Services, Inc.	Realtor and independent contractor with Bosshardt Realty Services, Inc.	3.59%	N/A	NONE
Job E. White Gainesville, FL	Accountant	Director	Director & Chairman (Alarion Bank)	Accountant with Reddish and White, CPA	0.85%	N/A	Reddish and White, CPA, Starke – 50% Job White, LLC Starke, FL - 100%

**ALARION FINANCIAL SERVICES INC.
FORM FR Y-6
FISCAL YEAR ENDING DECEMBER 31, 2012**

Report Item 4: Insiders

Name & Address (City, State, Country)	Principal Occupation if other than with Co.	Title & Position w. BHC	Title & Position w. Subs (sub name)	Title & Positions Other Busi. (Bus. Name)	% of Voting Shares in BHC	% of Voting Shares in Subs	List names of other companies (partn) if 25% or more of voting securities held
Thomas W. Williams, Jr. Gainesville, FL	Real estate developer and builder	Director	Director (Alarion Bank)	Owner, T.W. Williams Jr., Inc.	2.98%	N/A	T.W. Williams, Jr., Inc., Archer – 100% Restaurants of Tifton, Inc., Tifton, GA – 50% Archer Road Properties, Inc., Archer – 50% Davis and Williams Partnership, Gainesville – 50% Glaeser Tract Investments, LLC, Gainesville – 25% Longleaf Development, LLC, Gainesville – 25% WWB Real Estate, LLC - 52% A Cash Flow, LLC - 70% Williams Family Investments, LLC Gainesville - 30% Williams Heritage, LLLP Gainesville - 30%