

Board of Governors of the Federal Reserve System



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):

December 31, 2011

Month / Day / Year

I, Martha S. Kilpatrick

Name of the Bank Holding Company Director and Official

Treasurer

Title of the Bank Holding Company Director and Official

Reporter's Name, Street, and Mailing Address

Five Flags Banks, Inc.

Legal Title of Bank Holding Company

P. O. Box 4877

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

Pensacola FL 32507

City State Zip Code

4093 Barrancas Avenue

Physical location (if different from mailing address)

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.

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:

Martha S. Kilpatrick Treasurer

Name Title

850 455-7351

Area Code / Phone Number / Extension

850-456-9959

Area Code / FAX Number

mkilpatrick@warringtonbank.com

E-mail Address

Martha S. Kilpatrick

Signature of Bank Holding Company Director and Official

2-21-12

Date of Signature

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

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 1129515
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

For Use By Tiered Bank Holding Companies

Top-tiered bank holding companies must list the names, mailing address, and physical locations of each of their subsidiary bank holding companies below.

Legal Title of Subsidiary Bank Holding Company	Legal Title of Subsidiary Bank Holding Company
(Mailing Address of the Subsidiary Bank Holding Company) Street / P.O. Box	(Mailing Address of the Subsidiary Bank Holding Company) Street / P.O. Box
City State Zip Code	City State Zip Code
Physical location (if different from mailing address)	Physical location (if different from mailing address)
Legal Title of Subsidiary Bank Holding Company	Legal Title of Subsidiary Bank Holding Company
(Mailing Address of the Subsidiary Bank Holding Company) Street / P.O. Box	(Mailing Address of the Subsidiary Bank Holding Company) Street / P.O. Box
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(Mailing Address of the Subsidiary Bank Holding Company) Street / P.O. Box	(Mailing Address of the Subsidiary Bank Holding Company) Street / P.O. Box
City State Zip Code	City State Zip Code
Physical location (if different from mailing address)	Physical location (if different from mailing address)

RSSD Tiering for:

FIVE FLAGS BANKS, INC.

Structure as of 20120322 and going downward

Seq Num	ID RSSD	Legal Name	AddL	City	State/ Country	Dist FR	Ent Type	Actv Code	Basis of Relationship	PCT
0001	1129515	FIVE FLAGS BANKS, INC.		PENSACOLA	FLORIDA	6	BHC	551111		
0002	1355716	BANK DATA, INC.		PENSACOLA	FLORIDA	6	DPS	51821	Vtg Eqty Other	100 ✓
0003	83236	BANK OF THE SOUTH		PENSACOLA	FLORIDA	6	NMB	52211	Vtg Eqty Other	99 ✓
0004	581237	FIRST NAVY BANK		PENSACOLA	FLORIDA	6	NMB	52211	Vtg Eqty Other	99 ✓
0005	199137	WARRINGTON BANK, THE		PENSACOLA	FLORIDA	6	NMB	52211	Vtg Eqty Other	99 ✓

Total Number of Entities in the tree 5

Total Number of Unique Entities in the tree 5

Tier Selection Criteria

RSSD Tiering for	1129515 FIVE FLAGS BANKS, INC.
As of Date	20120322
Direction	Down
Selection Rule	All Entities
Branches - Domestic Institutions	No Branches
Branches - Foreign Institutions	No Branches

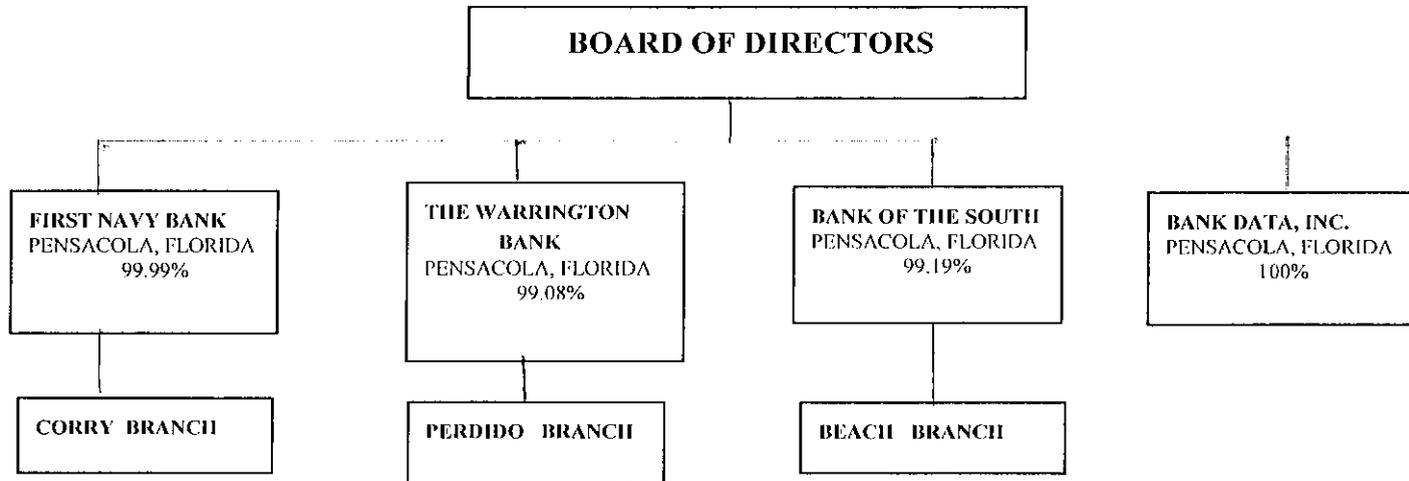
Explanatory Notes

Entity Type	Description
BHC	BANK HOLDING COMPANY
DPS	DATA PROCESSING SERVICER
NMB	NON-MEMBER BANK
Primary Activity Code	Description
51821	DATA PROCESSING, HOSTING, AND RELATED SERVICES
52211	COMMERCIAL BANKING
551111	OFFICES OF BANK HOLDING COMPANIES
Basis of Relationship	Description
Other	Other Basis of Relationship
Vtg Eqty	Voting Equity

Two asterisks (**) next to the Seq Num indicates that confidentiality is pending or granted.
 An asterisk (*) next to the AddL Line Num denotes the Seq Num at which the offspring of this entity are listed.
 A dot dot dot notation (...) next to Legal Name denotes a circular relationship.

FIVE FLAGS BANKS, INC.
PENSACOLA, FLORIDA

ORGANIZATION CHART



FORM FR Y-6

FIVE FLAGS BANKS, INC.

PENSACOLA, FLORIDA

Fiscal Year Ending December 31, 2011

Report Item 3: Shareholders

(1) (a)(b)(c)

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12/31/2011

(1)(a) Names & Address City, State, County	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities
<u>NAME/ADDRESS</u>	<u>COUNTRY</u>	
AMFI INVESTMENTS CORP. PENSACOLA FL 32507	USA	5,296.339 - 5.49% Common Stock
MARILYN W HESS PENSACOLA FL 32507	USA	8,186.83353 - 8.49% Common Stock
NANCY E ROYALS MESQUITE, NV 89024	USA	7,732.7438 - 8.02% Common Stock
SOUTH BUILDING CORP. PENSACOLA, FL 32507	USA	5,745.342025 - 5.96% Common Stock
TWA CORP DOVER DE 19903	USA	5,827.1073 - 6.04% Common Stock
BARBARA J. WOODBURY LA JOLLA CA 93028-2405	USA	7,732.7437 - 8.02% Common Stock
C. P. WOODBURY, III PENSACOLA, FL 32507	USA	7,732.7437 - 8.02% Common Stock
WILLIAM P WOODBURY PENSACOLA FL 32503-3248	USA	6,132.7437 - 6.36% Common Stock

Report Item 3

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

NONE

FIVE FLAGS BANKS, INC.

December 31, 2011

Report Item 4: Directors and Officers

(1) (2) (3)(a)(b)(c) and (4)(a)(b)(c)

(1)	(2)	(3)(a)	(3)(b)	(3)(c)	(4)(a)	(4)(b)	(4)(c)
Raymond H. Jones Pensacola FL	Bank Consultant	President/Director	The Warrington Bank Consultant/Director First Navy Bank Director Bank Data, Inc. President/Director	None	None	None	N/A
Donna Mair Pensacola FL	Bank President	Vice President/ Director	Bank of the South President/Director First Navy Bank Director The Warrington Bank Director	None	None	None	N/A
Marilyn W. Hess Pensacola FL	Insurance Executive/ Banker	Secretary/ Director	The Warrington Bank Director Bank Data, Inc. Director	TWA Corp Director/Treasurer AMFI Corp. Director/President South Building Corp. Director/President TRANSAM Assurance Co. VP/Sec/Director Trans World Assurance Co. Director T BH Corp. President/Director American Fidelity Life Ins Co Director Island House, Inc. Director	8.49%	None	N/A
Martha S. Kilpatrick Pensacola FL	Bank Consultant	Treasurer/ Director	The Warrington Bank Consultant/Director	None	None	None	N/A
William P. Woodbury Pensacola FL	Bank President	Director	First Navy Bank President & CEO Bank of the South Director	None	6.36%	None	N/A
Gail E. Russo Pensacola, FL	Bank President	Director	The Warrington Bank President/Director	None	None	None	N/A

Results: A list of branches for your BHC: FIVE FLAGS BANKS, INC. (1129515) of PENSACOLA, FL
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**

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
OK		Full Service (Head Office)	83236	BANK OF THE SOUTH	4410 WEST FAIRFIELD DRIVE	PENSACOLA	FL	32506
OK		Full Service	82734	ISLAND BRANCH	135 FORT PICKENS ROAD	PENSACOLA BEACH	FL	32561
OK		Full Service (Head Office)	581237	FIRST NAVY BANK	180 TAYLOR ROAD, NAVAL AIR STATION	PENSACOLA	FL	32508
OK		Full Service	3728677	CORRY BRANCH	5560 HIGHWAY 98W	PENSACOLA	FL	32507
OK		Full Service (Head Office)	199137	WARRINGTON BANK, THE	4093 BARRANCAS AVENUE	PENSACOLA	FL	32507
OK		Full Service	396132	PERDIDO BRANCH	13330 SORRENTO ROAD	PENSACOLA	FL	32507

: column.

County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
ESCAMBIA	UNITED STATES	12957	0	BANK OF THE SOUTH	83236	
ESCAMBIA	UNITED STATES	247365	1	BANK OF THE SOUTH	83236	
ESCAMBIA	UNITED STATES	14726	0	FIRST NAVY BANK	581237	
ESCAMBIA	UNITED STATES	492685	2	FIRST NAVY BANK	581237	
ESCAMBIA	UNITED STATES	11223	0	WARRINGTON BANK, THE	199137	
ESCAMBIA	UNITED STATES	241013	5	WARRINGTON BANK, THE	199137	