



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, 2014

Month / Day / Year

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

I, **JAMES H. POWELL**
Name of the Holding Company Director and Official
CHAIRMAN
Title of the Holding Company Director and Official

Reporter's Name, Street, and Mailing Address
HIGHLAND FINANCIAL SERVICES, INC.

Legal Title of Holding Company
3411 ERNEST BARRETT PARKWAY, SUITE 100

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.

(Mailing Address of the Holding Company) Street / P.O. Box
MARIETTA **GA** **30064**
City State Zip Code

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.

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
BEATE F. FRANK **EVP/CFO**
Name Title

James Powell CEO
Signature of Holding Company Director and Official
1-29-15
Date of Signature

678-569-4251
Area Code / Phone Number / Extension

678-569-4278
Area Code / FAX Number

beate.frank@highlandcommercialbank.com
E-mail Address

N/A
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

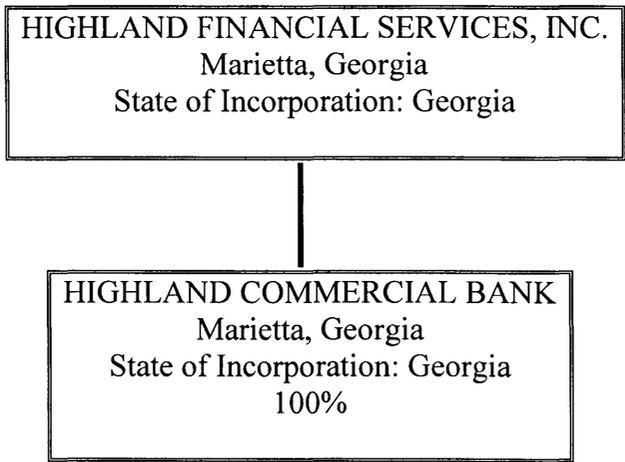
Does the reporter request confidential treatment for any portion of this submission?
 Yes Please identify the report items to which this request applies:
 In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.
 The information for which confidential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

For Federal Reserve Bank Use Only
RSSD ID 3527179
C.I. _____

HIGHLAND FINANCIAL SERVICES, INC.
FR Y-6 REPORT
As of 12/31/2014

Item 1: **Annual Report to the Shareholders**
To be sent under separate cover once complete.

Item 2a: **Organization Chart**



Item 2b: **Domestic Branch Listing**
Marietta Office – Main Office
Opened August 30, 2004
3411 Ernest Barrett Parkway
Marietta, Georgia 30064
Cobb County
Full Service Branch

Smyrna Office
Opened November 13, 2007
1298 Concord Road
Smyrna, Georgia 30080
Cobb County
Full Service Branch

Item 3: Securities Holders

(1)(a)(1)(b)(1)(c) List each securities holder, of record, that directly or indirectly owns, controls, or holds with power to vote 5 percent or more of any class of voting securities of the holding company as of the fiscal year end of the holding company.

James L. Coxwell Acworth, Georgia Citizenship – US	Common Stock	79,468 5.98%
James D. Dunn Powder Springs, Georgia Citizenship – US	Common Stock	76,544 5.76%
James H. Powell Marietta, Georgia Citizenship – US	Common Stock Options	61,844 4.66% 30,000

Item 3: Securities Holders

(2)(a)(2)(b)(2)(c) List any securities holder not listed in section 3(1) above that owned or controlled 5 percent or more of any class of voting securities in the holding company during the fiscal year for which the report is being filed.

None except those listed above.

Item 4: Insiders

See Attached

Form FR Y-6

Highland Financial Services, Inc.
 Marietta, Georgia
 Fiscal Year Ending December 31, 2014

Report Item

4. Directors and Officers

(1) Names & Addresses (City, State, Country)	(2) Principal Occupation if other than with Holding Company	(3)(a) Title & Position with Holding Company	(3)(b) Title & Position with Subsidiaries	(3)(c) Title & Position with Other Businesses listed in 4.c.	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List of names of other companies if 25% or more of voting securities are held.
Homer F. Anderson, III Kennesaw, Georgia USA	Retired	Director	Highland Commercial Bank Director	N/A	0.75%	N/A	N/A
James Lamar Coxwell, Sr. Acworth, Georgia USA	Entrepreneur	Director	Highland Commercial Bank Director	Owner Owner Secretary/Treasurer	5.98%	N/A	Jim Coxwell GMC, Inc. - 100% Socoper, Inc. - 100% WATCO, Inc. - 50%
James Daniel Dunn Powder Springs, Georgia USA	General Contractor	Director Vice-Chairman	Highland Commercial Bank Director Vice-Chairman	President Managing Partner	5.76%	N/A	Prime Contractors, Inc. - 100% Plumbline Products, LLC - 50%
Mark Gregson Griggs Marietta, Georgia USA	Banker	Director Secretary	Highland Commercial Bank Director President	N/A	3.13%	N/A	N/A
Thomas E. Hill Powder Springs, Georgia USA	Retired	Director Assistant Secretary	Highland Commercial Bank Director	N/A	2.31%	N/A	N/A
Robert Payne Koven Marietta, Georgia USA	Retired	Director	Highland Commercial Bank Director	N/A	2.84%	N/A	N/A
James Herbert Powell Marietta, Georgia USA	Banker	Director Chairman	Highland Commercial Bank Chairman of the Board Chief Executive Officer	N/A	4.66%	N/A	N/A
William Benjamin Witcher, Jr. Powder Springs, Georgia USA	Insurance	Director	Highland Commercial Bank Director	N/A	2.86%	N/A	N/A