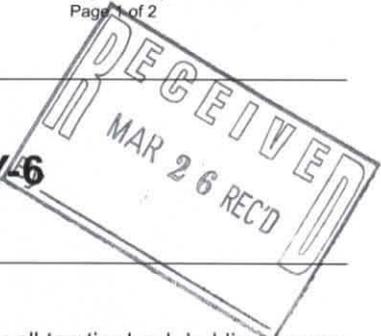


Board of Governors of the Federal Reserve System



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, Brian L. Smith

Name of the Holding Company Director and Official

Acting President & CEO

Title of the Holding Company Director and Official

Reporter's Name, Street, and Mailing Address

Liberty Shares, Inc.

Legal Title of Holding Company

P.O. Box 1009

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

Hinesville

GA

31310

City

State

Zip Code

300 S. Main Street, Hinesville, GA 31313

Physical location (if different from mailing address)

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.

Person to whom questions about this report should be directed:

Tammy Schrader

Controller

Name

Title

912-368-3332 1186

Area Code / Phone Number / Extension

912-369-9397

Area Code / FAX Number

tschrader@the-heritage-bank.com

E-mail Address

n/a

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

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 of Holding Company Director and Official

03/22/2013

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 1086748
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 Holding Companies

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

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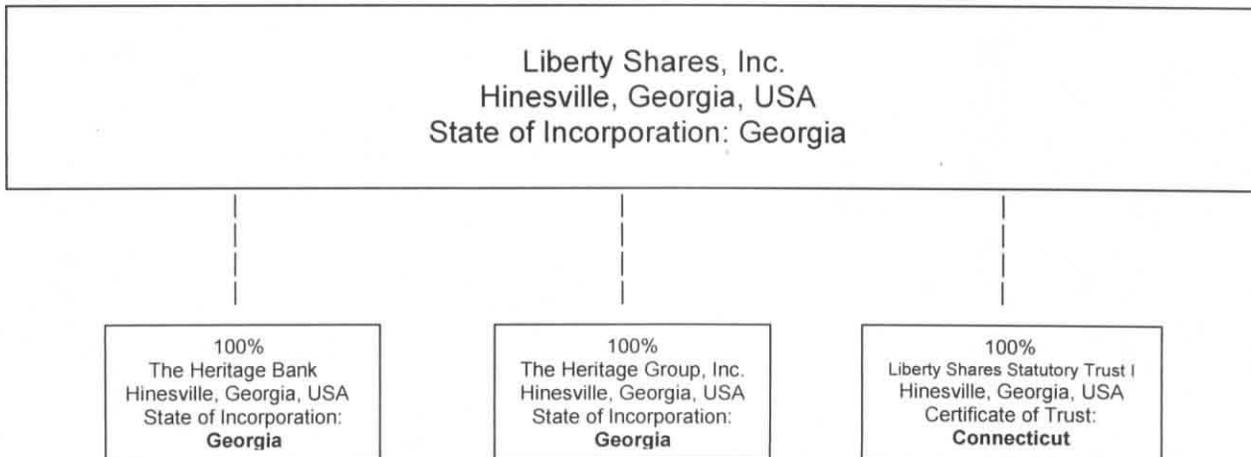
Revised

Form FR Y-6

Liberty Shares, Inc.
Hinesville, Georgia
Fiscal Year Ending December 31, 2012

Report Item 1: The Bank Holding Company does prepare an annual report for its shareholders and is not registered with the Securities and Exchange Commission (SEC). Enclosed is a copy of the annual report.

Report Item 2a: Organization Chart



The Hinesville Bank, located in Hinesville, Liberty County, Georgia, U. S. A., was established in 1911 and converted to a holding company subsidiary in 1984 by a one for one stock exchange; wholly owned subsidiary of Liberty Shares, Inc. Effective 2/21/97, the name of the bank changed from The Hinesville Bank to The Heritage Bank.

The Heritage Group, Inc. - wholly owned subsidiary of Liberty Shares, Inc. began offering securities brokerage services in July 1999.

Liberty Shares Statutory Trust I – wholly owned subsidiary of Liberty Shares, Inc. was formed on January 20, 2006, for the purpose of raising capital to partly fund the acquisition of Peoples Banking Corporation. The Trust sold capital securities (Trust Preferred Securities) to qualified institutional buyers. The proceeds were invested in Junior Subordinated Debt Securities issued by the Company. The Debt Securities represent the sole assets of the Trust.

Report Item 2b: Domestic Branch Listing

Submitted via email on February 27, 2013 to structure3@atl.frb.org. Hard copy also attached.

Report Item 3: Securities holders

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

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

(1)(a) Name & Address (City, State, Country)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number & Percentage of Each Class of Voting Securities
Frances R. Roberson Hinesville, GA	USA	210,880 – 5.866% (1) Common Stock
Floyd Stock Holdings LP Hinesville, GA	USA	510,466 – 14.199% (2) Common Stock

(1) This amount consists of 210,780 (5.686%) shares owned of record by Mrs. Roberson as to which she has sole voting and investment powers and 100 (0.002%) shares owned by Mrs. Roberson's son as to which she disclaims beneficial ownership.

(2) This amount consists of the following:

219,130 (6.094%) shares owned of record by Floyd Stock Holdings, LP *
29,303 (0.815%) shares owned of record by James M. Floyd, Jr.

(AS TO WHICH MR. FLOYD HAS SOLE VOTING AND INVESTMENT POWERS)

- 6,350 (0.177%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd)
- 900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Meghann L. Floyd)
- 900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Roscoe L. Floyd)
- 900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Evanne L. Floyd)
- 900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Nichole Boyer Davis)
- 900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Nicholas C. Boyer)
- 29,490 (0.820%) shares owned of record by Carolyn M Floyd Trustee of James M Floyd (Sr) Irrevocable Trust 1993
- 4,250 (0.118%) shares owned of record by Carolyn M Floyd Trustee of James M Floyd (Sr) Testamentary Family Trust
- 37,267 (1.037%) shares owned of record by Mr. Floyd's wife (Alicia L. Floyd)
- 3,850 (0.107%) shares owned of record by Mr. Floyd's daughter (Meghann T. Floyd)
- 3,662 (0.0102%) shares owned of record by Mr. Floyd's son (Roscoe L. Floyd)
- 3,962 (0.110%) shares owned of record by Mr. Floyd's daughter (Evanne L. Floyd)
- 28,640 (0.797%) shares owned of record by Mr. Floyd's sister (Karen F. Boyer)
- 5,137 (0.143%) shares owned of record by Mr. Floyd's brother-in-law (Clayton D. Boyer)
- 1,800 (0.050%) shares owned of record by Mr. Floyd's niece & Carolyn Floyd's granddaughter (Nichole Boyer Davis)
- 1,945 (0.054%) shares owned of record by Mr. Floyd's nephew & Carolyn Floyd's grandson (Nicholas Boyer)
- 155 (0.004%) shares owned of record by Mr. Floyd's grandniece & Karen Boyer's granddaughter (Savannah N. Davis)
- 35 (0.001%) shares owned of record by Mr. Floyd's grandniece & Karen Boyer's granddaughter (Aleah Davis)
- 20 (0.001%) shares owned of record by Mr. Floyd's grandnephew & Karen Boyer's grandson (William Lee Davis, Jr.)
- 100 (0.003%) shares owned of record by Mr. Floyd's sister-in-law (Marcia Latham Austero)
- 55 (0.002%) shares owned of record by Mr. Floyd's niece (Lillian M. Austero)
- 55 (0.002%) shares owned of record by Mr. Floyd's nephew (Benjamin Austero)
- 55 (0.002%) shares owned of record by Mr. Floyd's nephew (Jesse Austero)
- 55 (0.002%) shares owned of record by Mr. Floyd's nephew (Reece Latham)
- 85,500 (2.377%) shares owned of record by Mr. Floyd's uncle & Carolyn Floyd's brother-in-law (Carroll W. Floyd)
- 11,100 (0.309%) shares owned of record by Mr. Floyd's aunt & Carolyn Floyd's sister-in-law (Billie G. Floyd)
- 17,050 (0.474%) shares owned of record by Mr. Floyd's uncle & Carolyn Floyd's brother (O. C. Martin, III)
- 17,000 (0.473%) shares owned of record by Mr. Floyd's aunt & Carolyn Floyd's sister-in-law (Janet P. Martin)

(AS TO WHICH HE DISCLAIMS BENEFICIAL OWNERSHIP)

*Floyd Stock Holdings, LP is owned by Carolyn M. Floyd, James M. Floyd, Jr., Karen Floyd Boyer, Floyd Holdings LLC, James M. Floyd Irrevocable Trust 1993, and James M Floyd Testamentary Family Trust.

Report Item 3: Securities holders (Continued)

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

Shareholders not listed in 3(1)(a) through 3(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12-31-12.

(2)(a) Name & Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number & Percentage of Each Class of Voting Securities
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None

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December 31, 2012

Report Item 4: Insiders (Page 1)

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

(1) Name & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b)(1) Title & Position with Subsidiary (Heritage Bank)	(3)(b)(2) Title & Position with Subsidiary (Heritage Group)	(3)(c) Title & Position with Other Businesses	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List of other Companies if 25% or more of voting securities are held
James M. Floyd, Jr. Hinesville, GA, USA	Retired	Director	None	None	PRES-Medway Group, Inc. PART-Floyd Holdings, LLC PART-Floyd Real Estate Holdings, LP PART-New Adventures, LLC PART-JMF Holdings, LP MEM-Gravel Hill Farms LLC MANG MEM-KEFLO Properties LLC PART-Floyd Stockholdings, LP PRES-Iced Down, LLC	14.199% (A)	N/A	Medway Group, Inc. (64.7%) Floyd Holdings, LLC (33%) Floyd R. E. Holdings, LP (49.5%) New Adventures, LLC (50%) JMF Holdings, LP (45%) Gravel Hill Farms LLC (50%) KEFLO Properties LLC (50%) Iced Down, LLC (100%)
T. Glenn Fox, Jr. Richmond Hill, GA, USA	Pharmacist	Director	None	None	MANG/OWN-Coastal Discount Pharmacy	0.451% (B)	N/A	Coastal Discount Pharmacy (50%)
H. Scott Kroell, Jr. Midway, GA, USA	CEO of Hospital	Director	Director	None	None	0.419% (C)	N/A	None
John D. McIver Riceboro, GA, USA	Retired	Director	None	None	None	0.006% (D)	N/A	None
Barbara S. Smith Riceboro, GA, USA	Retired	Director	Director	None	DIR-Medway Group, Inc.	0.314% (E)	N/A	None
Brian L. Smith Hinesville, GA, USA	N/A	Director Acting Chairman President & CEO	Director Acting Chairman President & CEO	Director VP	DIR/VP-Medway Group, Inc.	1.112% (F) 1.274 (Stock Options)	N/A	None
Marian E. Smith Savannah, GA, USA	Commercial RE Broker	Director	None	None	PRES-Strategic Commercial RE SEC-Strategic Financial Group	4.868% (G)	N/A	Strategic Commercial RE (100%) Strategic Financial Group (49%)

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December 31, 2012

Report Item 4: Insiders (Page 2)

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

(1) Name & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b)(1) Title & Position with Subsidiary (Heritage Bank)	(3)(b)(2) Title & Position with Subsidiary (Heritage Group)	(3)(c) Title & Position with Other Businesses	(4)(a) Percentage of Voting Shares in Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List of other Companies if 25% or more of voting securities are held
Jeffery L. Arnold Hinesville, GA USA	Attorney Arnold, Stafford & Randolph	Director	Director	None	PRES- Jeffery L. Arnold PC	1.613% (H)	N/A	Jeffery L. Arnold PC (100%)
Melissa A. Deal Ludowici, GA, USA	N/A	Chief Operating Officer	Chief Operating Officer	None	None	0.064% (I) 0.138 (Stock Options)	N/A	None
Philip F. Resch Pooler, GA, USA	N/A	Chief Financial Officer	Chief Financial Officer	None	None	None	N/A	None

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December 31, 2012

Report Item 4: Insiders (Page 3)

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

(A) This amount consists of the following:

219,130 (6.094%) shares owned of record by Floyd Stock Holdings, LP*
29,303 (0.815%) shares owned of record by James M. Floyd, Jr. - Stock options - 73,230 shares (1.975%)

(AS TO WHICH MR. FLOYD HAS SOLE VOTING AND INVESTMENT POWERS)

6,350 (0.177%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd)
900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Meghann L. Floyd)
900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Roscoe L. Floyd)
900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Evanne L. Floyd)
900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Nichole Boyer Davis)
900 (0.025%) shares owned of record by Mr. Floyd's mother (Carolyn M. Floyd TOD Nicholas C. Boyer)
29,490 (0.820%) shares owned of record by Carolyn M Floyd Trustee of James M Floyd (Sr) Irrevocable Trust 1993
4,250 (0.118%) shares owned of record by Carolyn M Floyd Trustee of James M Floyd (Sr) Testamentary Family Trust
37,267 (1.037%) shares owned of record by Mr. Floyd's wife (Alicia L. Floyd)
3,850 (0.107%) shares owned of record by Mr. Floyd's daughter (Meghann T. Floyd)
3,662 (0.102%) shares owned of record by Mr. Floyd's son (Roscoe L. Floyd)
3,962 (0.110%) shares owned of record by Mr. Floyd's daughter (Evanne L. Floyd)
28,640 (0.797%) shares owned of record by Mr. Floyd's sister (Karen F. Boyer)
5,137 (0.143%) shares owned of record by Mr. Floyd's brother-in-law (Clayton D. Boyer)
1,800 (0.050%) shares owned of record by Mr. Floyd's niece & Carolyn Floyd's granddaughter (Nichole Boyer Davis)
1,945 (0.054%) shares owned of record by Mr. Floyd's nephew & Carolyn Floyd's grandson (Nicholas Boyer)
155 (0.004%) shares owned of record by Mr. Floyd's grandniece & Karen Boyer's granddaughter (Savannah N. Davis)
35 (0.001%) shares owned of record by Mr. Floyd's grandniece & Karen Boyer's granddaughter (Aleah Davis)
20 (0.001%) shares owned of record by Mr. Floyd's grandnephew & Karen Boyer's grandson (William Lee Davis, Jr.)
100 (0.003%) shares owned of record by Mr. Floyd's sister-in-law (Marcia Latham Austero)
55 (0.002%) shares owned of record by Mr. Floyd's niece (Lillian M. Austero)
55 (0.002%) shares owned of record by Mr. Floyd's nephew (Benjamin Austero)
55 (0.002%) shares owned of record by Mr. Floyd's nephew (Jesse Austero)
55 (0.002%) shares owned of record by Mr. Floyd's nephew (Reece Latham)
85,500 (2.377%) shares owned of record by Mr. Floyd's uncle & Carolyn Floyd's brother-in-law (Carroll W. Floyd)
11,100 (0.309%) shares owned of record by Mr. Floyd's aunt & Carolyn Floyd's sister-in-law (Billie G. Floyd)
17,050 (0.474%) shares owned of record by Mr. Floyd's uncle & Carolyn Floyd's brother (O. C. Martin, III)
17,000 (0.473%) shares owned of record by Mr. Floyd's aunt & Carolyn Floyd's sister-in-law (Janet P. Martin)

(AS TO WHICH HE DISCLAIMS BENEFICIAL OWNERSHIP)

*Floyd Stock Holdings, LP is owned by Carolyn M. Floyd, James M. Floyd, Jr., Karen Floyd Boyer, Floyd Holdings LLC, James M. Floyd Irrevocable Trust 1998, and James M Floyd Testamentary Family Trust.

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Report Item 4: Insiders (Page 4)

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

- (B) This amount consists of 15,900 (0.442%) shares owned of record by Mr. Fox as to which he has sole voting and investment powers, 100 (0.003%) shares owned of record by Mr. Fox's spouse, 200 (0.006%) shares owned of record by their children as to which he disclaims beneficial ownership.
- (C) This amount consists of 5,050 (0.140%) shares owned of record by Mr. Kroell, 7,322 (0.204%) shares owned of record by IRA FBO H. Scott Kroell, Jr., Private Trust Co. as Custodian, as to which he has sole voting and investment powers, and 2,600 (0.072%) shares owned of record by Pershing LLC Custodian FBO Diane E. Kroell IRA (Mr. Kroell's spouse) and 100 (0.003%) shares owned of record by their daughter as to which he disclaims beneficial ownership.
- (D) This amount consists of 200 (0.006%) shares owned of record by Mr. McIver as to which he has sole voting and investment powers.
- (E) This amount consists of 3,510 (0.097%) shares owned of record by Mrs. Smith as to which she has sole voting and investment powers and 7,790 (0.217%) shares owned jointly by Mrs. Smith and her spouse as to which they share voting and investment powers.
- (F) This amount consists of 27,000 (0.751%) shares owned of record by Mr. Smith as to which he has sole voting and investment powers, 3,595 (0.100%) shares owned of record by Mr. Smith's spouse and 9,400 (0.261%) shares owned of record by their children as to which he disclaims beneficial ownership. Stock options – 45,802 shares (1.274%).
- (G) This amount consists of 175,000 (4.868%) shares owned of record by the Estate of Wallace F. Martin, Jr., Ms. Smith's grandfather as to which she disclaims beneficial ownership.
- (H) This amount consists of 58,000 (1.613%) shares owned of record by Mr. Arnold as to which he has sole voting and investment powers.
- (I) This amount consists of 600 (0.017%) shares owned of record by Mrs. Deal as to which she has sole voting and investment powers and 1,700 (0.047%) shares owned jointly by Mrs. Deal and her spouse as to which they share voting and investment powers. Stock options – 4,964 shares (0.138%)