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FR Y-6  
OMB Number 7100-0297  
Approval expires December 31, 2014  
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MAR 28 2012

Board of Governors of the Federal Reserve System



Annual Report of Bank Holding Companies—FR Y-6

2453936

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):  
12/31/2011  
Month / Day / Year

*Robert J. Carroll*  
Name of the Bank Holding Company Director and Official  
3-26-12  
Title of the Bank Holding Company Director and Official

Reporter's Name, Street, and Mailing Address  
Magnolia Bankshares, Inc.  
Legal Title of Bank Holding Company  
P.O. Box 909  
(Mailing Address of the Bank Holding Company) Street / P.O. Box  
Eastman, GA 31023  
City State Zip Code  
130 Oak Street  
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:  
Angie Kahrmann CFO  
Name Title  
(478) 374-3418  
Area Code / Phone Number / Extension  
(478) 374-2251  
Area Code / FAX Number  
a.kahrmann@bankofeastman.com  
E-mail Address  
N/A  
Address (URL) for the Bank Holding Company's web page

*Robert J. Carroll*  
Signature of Bank Holding Company Director and Official  
3-26-12  
Date of Signature

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 \_\_\_\_\_  
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

N/A

## 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:  
**MAGNOLIA BANKSHARES, INC.**  
 Structure as of 20111216 and going downward

Seq Num	ID RSSD	Legal Name	AddL	City	State/ Country	Dist FR	Ent Type	Actv Code	Basis of Relatnshp	PCT
0001	2453936	MAGNOLIA BANKSHARES, INC.		EASTMAN	GEORGIA	6	BHC	551111		
0002	204237	BANK OF EASTMAN		EASTMAN	GEORGIA	6	NMB	52211	Vtg Eqty	100

**Total Number of Entities in the tree**                    **2**  
**Total Number of Unique Entities in the tree**           **2**

**Tier Selection Criteria**

RSSD Tiering for	2453936 MAGNOLIA BANKSHARES, INC.
As of Date	20111216
Direction	Down
Selection Rule	All Entities
Branches - Domestic Institutions	No Branches
Branches - Foreign Institutions	No Branches

**Explanatory Notes**

<b>Entity Type</b>	<b>Description</b>
BHC	BANK HOLDING COMPANY
NMB	NON-MEMBER BANK
<b>Primary Activity Code</b>	<b>Description</b>
52211	COMMERCIAL BANKING
551111	OFFICES OF BANK HOLDING COMPANIES
<b>Basis of Relationship</b>	<b>Description</b>
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.

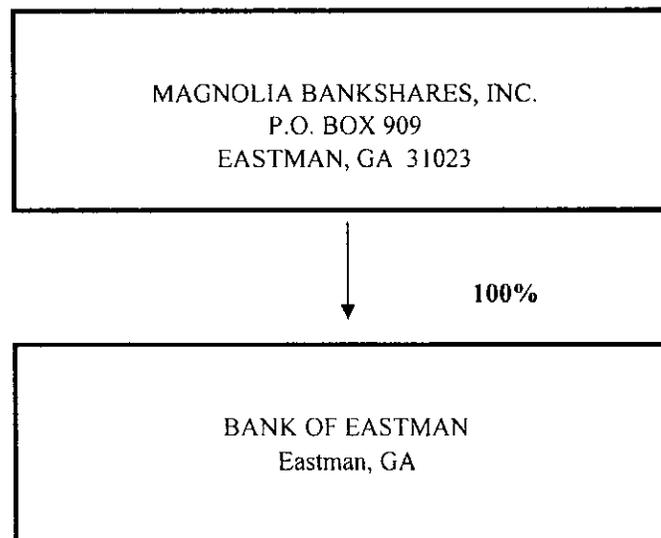
FORM FR Y-6

MAGNOLIA BANKSHARES, INC.  
EASTMAN, GEORGIA  
FISCAL YEAR ENDING DECEMBER 31, 2011

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Report Item:

- 1.a. The BHC is not required to prepare and file form 10K with the SEC.
- 1.b. The BHC provides its shareholders in attendance of the annual meeting a copy of the audited financial statements. Our annual report is in process by our auditors Nichols, Cauley & Associates, LLC of Dublin, GA; we will forward two copies to you as soon as practicable.
- 2.a. Organization Chart:



FORM FR Y-6

MAGNOLIA BANKSHARES, INC.  
 EASTMAN, GEORGIA  
 FISCAL YEAR ENDING DECEMBER 31, 2011

Item 2b: Domestic Branch Listing

Branch Name:	Date Opened:	Street Address:	City	State	County	Country	Zip	Branch Service Type:
Eastman Branch	1967	130 Oak Street	Eastman	GA	Dodge	USA	31023	Full
Gray Branch	1997	271 West Clinton St./Hwy. 129	Gray	GA	Jones	USA	31032	Full
Hatcher Square Branch	2000	2451 N. Columbia St.	Milledgeville	GA	Baldwin	USA	31061	Full
Downtown Branch	2003	100 E. Greene St.	Milledgeville	GA	Baldwin	USA	31061	Full

**FORM FR Y-6**  
**MAGNOLIA BANKSHARES, INC.**  
**DECEMBER 31, 2011**

Report Item 3: Shareholders  
 (1)(a) (1)(b) (1)(c) (2)(b) (2)(c)

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

(1)(a) Name & Address (City, State, Country)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities	(2)(a) Name & Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
Jolene J. Carroll Eastman, Georgia, USA	USA	15,194 - 27.853% of Common Stock	N/A - There were no shareholders with 5% or more of the outstanding shares during fiscal year 2011 that are not listed in section (3)(1) of this form.		
John L. Jessup Eastman, Georgia, USA	USA	14,205 - 26.040% of Common Stock			
H.C. Ragan Eastman, Georgia, USA	USA	5,514 - 10.108% of Common Stock			
M. Clifton Harrell, Jr. Eastman, Georgia, USA	USA	3,722 - 6.823% of Common Stock			

**FORM FR Y-6**  
**MAGNOLIA BANKSHARES, INC.**  
**DECEMBER 31, 2011**

Report Item 4: Directors and Officers  
(1) (2) (3)(a)(b)(c) and (4)(a)(b)(c)

(1) Name and 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 and Position with Subsidiaries Bank of Eastman	(3)(c) Title and Position with Other Businesses (Include Names of Other Businesses)	(4)(a) Percentage of Voting Shares of Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (Names of Subsidiaries)	(4)(c) List of names of other companies (includes partnerships) if 25% or more of voting securities held (List names of companies and % of voting securities held)
Jolene J. Carroll Eastman, Georgia, USA	N/A	Director & Chairman & Chief Operating Officer	Director & Executive Vice President	N/A	27.853%	None	N/A
John L. Jessup Eastman, Georgia, USA	N/A	Director & President	Director & Chief Executive Officer	N/A	26.040%	None	N/A
M. Clifton Harrell, Jr. Eastman, Georgia, USA	Retired	Director	Director	N/A	6.823%	None	N/A
H.C. Ragan Eastman, Georgia, USA	Retired	Director	Director	N/A	10.108%	None	N/A