



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):  
**March 29, 2012**  
Month / Day / Year

I, Daniel Martinez  
Name of the Bank Holding Company Director and Official  
Chairman of the Board  
Title of the Bank Holding Company Director and Official

Reporter's Name, Street, and Mailing Address  
Neighborhood Bank Corporation  
Legal Title of Bank Holding Company  
350 N. State Road 19  
(Mailing Address of the Bank Holding Company) Street / P.O. Box  
Palatka FL 32177  
City State Zip Code

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.

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:  
Amy E. Peacock CFO  
Name Title  
386-328-5600  
Area Code / Phone Number / Extension  
386-328-2856  
Area Code / FAX Number  
apeacock@putnamstatebank.net  
E-mail Address  
www.putnamstatebank.com  
Address (URL) for the Bank Holding Company's web page

Daniel A. Martinez  
Signature of Bank Holding Company Director and Official  
3-28-2012

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 3347247  
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

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

City State Zip Code

Physical location (if different from mailing address)

Legal Title of Subsidiary Bank Holding Company

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

City State Zip Code

Physical location (if different from mailing address)

Legal Title of Subsidiary Bank Holding Company

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

City State Zip Code

Physical location (if different from mailing address)

Legal Title of Subsidiary Bank Holding Company

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

City State Zip Code

Physical location (if different from mailing address)

Legal Title of Subsidiary Bank Holding Company

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

City State Zip Code

Physical location (if different from mailing address)

Legal Title of Subsidiary Bank Holding Company

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

City State Zip Code

Physical location (if different from mailing address)

Legal Title of Subsidiary Bank Holding Company

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

City State Zip Code

Physical location (if different from mailing address)

Legal Title of Subsidiary Bank Holding Company

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

City State Zip Code

Physical location (if different from mailing address)

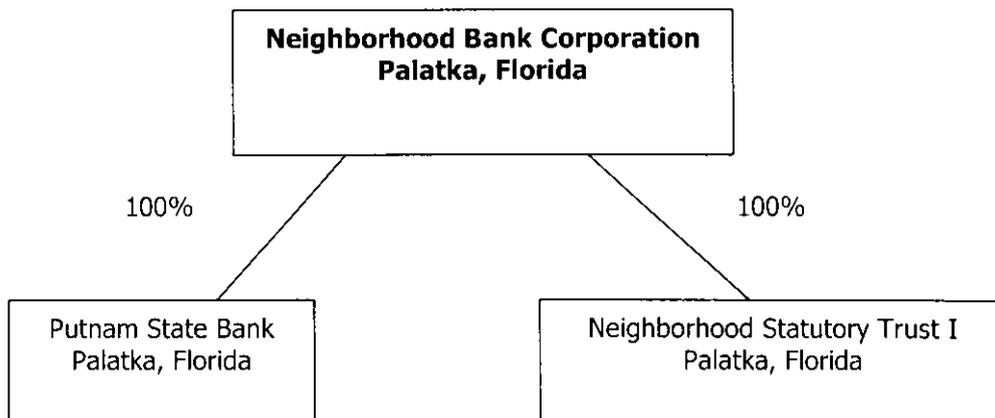
**Form FR Y-6**

**Neighborhood Bank Corporation  
Palatka, Florida  
Fiscal year ending December 31, 2011**

Report item

1. The bank holding company prepares an annual report for its shareholders. One copy will be forwarded to the Federal Reserve when available.

2. a. Organizational chart



2.b. Domestic Branch Listing: Submitted via email on 3/25/2012.

**Form FR Y-6**

**Neighborhood Bank Corporation  
Fiscal year ending December 31, 2011**

**Report Item 3: Securities holders**

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

Current shareholders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2010.			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 12-31-2010.		
(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.
✓ Charles E. Alford, Jr. Palatka, FL	USA	500,000 ~ 5.40% common  500,000 ~ 6.56% warrants			
✓ Ben Bates, Jr. Palatka, FL	USA	780,776 ~ 8.43% common  687,000 ~ 9.01% warrants			
✓ Stephen L. Beckett Palatka, FL	USA	540,817 ~ 5.84% common  500,000 ~ 6.56% warrants			
✓ Daniel Byrnes Hastings, FL	USA	645,000 ~ 6.96% common  605,000 ~ 7.94% warrants			
✓ Steve Chapman Palatka, FL	USA	766,258 ~ 8.27% common  750,000 ~ 9.84% warrants			
✓ Daniel Martinez Palatka, FL	USA	850,000 ~ 9.18% common  850,000 ~ 11.15% warrants			
✓ L. Wayne McClain Palatka, FL	USA	526,740 ~ 5.69% common  500,000 ~ 6.56% warrants			
✓ Kelley Smith, Jr. Palatka, FL	USA	550,470 ~ 5.95% common  500,000 ~ 6.56% warrants			
✓ Wm. Hamilton Traylor Jacksonville, FL	USA	615,000 ~ 6.64% common  900,000 ~ 11.81% warrants			
✓ Terry Turner Palatka, FL	USA	570,000 ~ 6.15% common  560,000 ~ 7.35% warrants			

**Form FR Y-6**

**Neighborhood Bank Corporation  
Fiscal year ending December 31, 2011**

**Report Item 3: Securities holders**

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

Current shareholders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2010.			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 12-31-2010.		
(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.
John Wolfenden, MD Palatka, FL	USA	559,124 ~ 6.04% common  500,000 ~ 6.56% warrants			

**Form FR Y-6**  
**Neighborhood Bank Corporation**  
**Fiscal year ending December 31, 2011**

**Report Item 4: Insiders**

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

(1) Names & 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 & Position with subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses.)	(4)(a) Percentage of voting shares in Bank Holding Company	(4)(b) Percentage of voting shares in subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held. (List names of companies and percentage of voting securities held.)
Charles E. Alford, Jr. Palatka, FL	Investor	N/A	Director Putnam State Bank	President A&H Excavation, Inc.  Vice President Alford Timber, Inc.  Partner Magnolia Dunes  Partner JBS Cattle, LLC  Owner NATKIM Radio, LLC  Director A&S timber	5.40%	N/A	Magnolia Dunes (33.3%)  JBS Cattle, LLC (33.3%)  NATKIM Radio, LLC (100%)  A&S Timber (12.5%)
Ben Bates, Jr. Palatka, FL	Investor	Director	Director Putnam State Bank	Owner Coldwell Banker / Ben Bates  Owner Bates Hewett & Floyd Insurance  Partner Putnam Partners  Partner Partners Plus	8.43%	N/A	Coldwell Banker / Ben Bates (100%)  Bates, Hewett & Floyd Insurance (100%)  Putnam Partners (25%)

**Form FR Y-6**  
**Neighborhood Bank Corporation**  
**Fiscal year ending December 31, 2011**

**Report Item 4: Insiders**

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

(1) Names & 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 & Position with subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses.)	(4)(a) Percentage of voting shares in Bank Holding Company	(4)(b) Percentage of voting shares in subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held. (List names of companies and percentage of voting securities held.)
Ben Bates, Jr. Palatka, FL	Investor	Director	Director Putnam State Bank	Partner Beck Chevrolet - Palatka  Partner Beck Chevrolet - Starke  Partner Bates Brothers  Partner Bates Enterprises  Owner Ben Bates Trust  Partner CB Properties  Co-owner Guide to Home	8.43%	N/A	Beck Chevrolet - Palatka (25%)  Beck Chevrolet - Starke (25%)  Bates Brothers (50%)  Bates Enterprises (20%)  Ben Bates Trust (20%)  CB Properties (50%)
Stephen L. Beckett Palatka, FL	Dentist	Director	Director Putnam State Bank	Owner Stephen L. Beckett, DDS, PA  Partner Putnam Medical Arts  Partner Putnam Partners  Partner Partners Plus	5.84%	N/A	Stephen L. Beckett, DDS, PA (100%)  Putnam Medical Arts (25%)

**Form FR Y-6**  
**Neighborhood Bank Corporation**  
**Fiscal year ending December 31, 2011**

**Report Item 4: Insiders**

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

(1) Names & 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 & Position with subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses.)	(4)(a) Percentage of voting shares in Bank Holding Company	(4)(b) Percentage of voting shares in subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held. (List names of companies and percentage of voting securities held.)
✓ Daniel Byrnes Hastings, FL	Owner	N/A	Director	Owner Byrnes Farms, Inc.	6.96%	N/A	Byrnes Farms, Inc. (100%)
✓ Steve Chapman Palatka, FL	Orthodontist	N/A	Director	Owner Steve A. Chapman, DMD, PA	8.27%	N/A	Steve A. Chapman, DMD, PA (100%)
✓ Daniel Martinez Palatka, FL	Retired	N/A	Director and Chairman		9.18%	N/A	N/A
✓ L. Wayne McClain Palatka, FL	Auto Dealer		Trust Administrator Neighborhood Statutory Trust I	Partner Partners Plus  Dealer Principal Beck Ford Lincoln  Vice President Beck Automotive Group	5.69%	N/A	N/A
✓ Amy Peacock. Green Cove Springs, FL	N/A	Chief Financial Officer	Chief Financial Officer Putnam State Bank	N/A	0.00%	N/A	N/A
✓ Tamara Sharpe Palm Coast, FL	N/A	N/A	Chief Operations Officer Putnam State Bank	N/A	0.01%	N/A	N/A

*Missing  
Done 1/11  
left last year.*

**Form FR Y-6**  
**Neighborhood Bank Corporation**  
**Fiscal year ending December 31, 2011**

**Report Item 4: Insiders**

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

(1) Names & 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 & Position with subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses.)	(4)(a) Percentage of voting shares in Bank Holding Company	(4)(b) Percentage of voting shares in subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held. (List names of companies and percentage of voting securities held.)
✓ Kelley R. Smith, Jr. Palatka, FL	Land Management	Director	Director Putnam State Bank	Managing Member Gator Timber & Land LLC  Managing Member S&P Timber Properties  Partner A&S Properties  Vice President S&S Investments  Partner Putnam Partners  Managing Member KTS Properties, LLC  Director & Vice President Los Nino's Corp.  Partner Partners Plus	5.95%	N/A	Gator Timber & Land LLC (85%)  S&P Timber Properties (50%)  A&S Properties (25%)  S&S Investments (25%)  KTS Properties, LLC (33.3%)

**Form FR Y-6**  
**Neighborhood Bank Corporation**  
**Fiscal year ending December 31, 2011**

**Report Item 4: Insiders**

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

(1) Names & 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 & Position with subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses.)	(4)(a) Percentage of voting shares in Bank Holding Company	(4)(b) Percentage of voting shares in subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held. (List names of companies and percentage of voting securities held.)
✓ William E. Torode III Palatka, FL	Retired	Director	Director Putnam State Bank	General Partner Putnam Partners  Partner Partners Plus	0.71%	N/A	
✓ Wm. Hamilton Traylor Jacksonville, FL	Attorney	N/A	N/A	Shareholder Fisher, Tousey, Leas and Ball	6.64%	N/A	N/A
✓ John H. Trescot, Jr. Palatka, FL	Consultant	Director	N/A	Vice President and Director AWA Management Corp.  Partner Partners Plus	0.61%	N/A	AWA Management Corp. (100%)

**Form FR Y-6**  
**Neighborhood Bank Corporation**  
**Fiscal year ending December 31, 2011**

**Report Item 4: Insiders**

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

(1) Names & 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 & Position with subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses.)	(4)(a) Percentage of voting shares in Bank Holding Company	(4)(b) Percentage of voting shares in subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held. (List names of companies and percentage of voting securities held.)
Terry Turner Palatka, FL	Contractor	N/A	N/A	President Armstrong Roofing, Inc.  President Armstrong Contracting Services  Vice President Health Care at Home, Inc.  Owner Keaton Beach Ridge, LLC  President Keaton Beach Acres, Inc.	6.15%	N/A	Armstrong Roofing, Inc. (100%)  Armstrong Contracting Services (90%)  Health Care at Home, Inc. (66%)  Keaton Beach Ridge, LLC (100%)
John W. Wolfenden, MD Palatka, FL	Physician	Director	Director Putnam State Bank	Owner Lagniappe Corp.  Partner Putnam Medical Arts  Partner G&W Investments LLC  Partner Partners Plus	6.04%	N/A	Lagniappe Corp. (100%)  Putnam Medical Arts (25%)  G&W Investments LLC (50%)

**Results:** A list of branches for your BHC: NEIGHBORHOOD BANK CORPORATION (3347247) of PALATKA, 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** 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.

<b>Data Action</b>	<b>Effective Date</b>	<b>Branch Service Type</b>	<b>Branch</b>	<b>Popular Name</b>	<b>Street Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
OK		Full Service (Head Office)	1356115	PUTNAM STATE BANK	350 STATE ROAD 19 NORTH	PALATKA	FL	32077
OK		Full Service	3724428	FLAGLER BRANCH	4750 EAST MOODY BLVD, SUITE 107	BUNNELL	FL	32110
OK		Full Service	2507099	SAINT AUGUSTINE BRANCH	2300 NORTH PONCE DE LEON BOULEVARD	SAINT AUGUSTINE	FL	32084
OK		Full Service	3724419	SAINT AUGUSTINE SOUTH BRANCH	3275 US 1 SOUTH	SAINT AUGUSTINE	FL	32086

olumn.

<b>County</b>	<b>Country</b>	<b>FDIC</b>	<b>Office</b>	<b>Head Office</b>	<b>Head Office</b>	<b>Comment</b>
PUTNAM	UNITED STATES	39874	0	PUTNAM STATE BANK	1356115	
FLAGLER	UNITED STATES	445168	3	PUTNAM STATE BANK	1356115	
ST. JOHNS	UNITED STATES	261947	1	PUTNAM STATE BANK	1356115	
ST. JOHNS	UNITED STATES	362132	2	PUTNAM STATE BANK	1356115	