

Board of Governors of the Federal Reserve System



Annual Report of Bank Holding Companies—FR Y-6

1085415

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, DONALD R GRAHAM

Reporter's Name, Street, and Mailing Address

PBG FINANCIAL SERVICES, INC

Name of the Bank Holding Company Director and Official

Legal Title of Bank Holding Company

PRESIDENT, CHRM.

P.O. BOX 596

Title of the Bank Holding Company Director and Official

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

GRACEVILLE FL 32440

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.

5306 BROWN STREET

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:

CAROL C SMITH TREAS.

Name Title

850-263-3267

Area Code / Phone Number / Extension

850-263-7597

Area Code / FAX Number

carolsmith@peoplesgraceville.com

E-mail Address

www.peoplesgraceville.com

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

*Donald R Graham*

Signature of Bank Holding Company Director and Official

03/16/2012

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 \_\_\_\_\_  
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
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City State Zip Code	City State Zip Code
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**FORM FR-Y6**

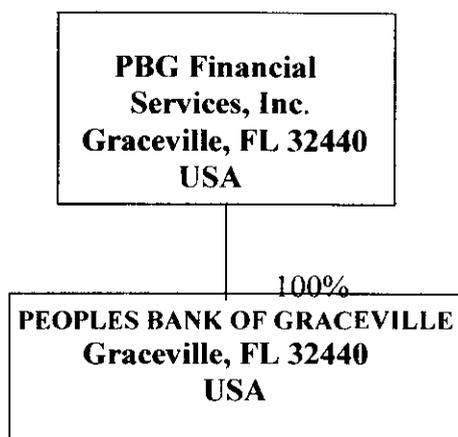
**PBG FINANCIAL SERVICES, INC.**

**GRACEVILLE, FLORIDA 32440**

FISCAL YEAR ENDING DECEMBER 31, 2011

1. PBG Financial Services, Inc. prepares a report for its shareholders.  
Two copies are enclosed

2a. Organizational Chart



2b. Branch report verified per E-Mail on February 29, 2012.

**FORM FR Y-6**  
**PBG Financial Services, Inc.**  
 DECEMBER 31, 2011

REPORT ITEM 3: Securities Holders  
 (1)(a), (1)(b), (1)(c)

(1)(a) Name & Address (City, State, Country)	(1)(b) Country of Citizenship of Incorporation	(1)(c) Number & Percentages of Each Class of Voting Securities
J Clifford M. Pelham Graceville, FL 32440	United States	1351 Shares, 6.76% common stock
J Mary Virginia Pelham Graceville, FL 32440	United States	1351 Shares, 6.76% common stock
J Suzanne M. Sheffield & Joseph A. Sheffield Panama City, FL 32411-8329	United States	1775 Shares, 8.88% common stock
J C. Finley McRae Graceville, FL 32440	United States	1088 Shares, 5.44% common stock
J Donald R. & Anne Graham Graceville, FL 32440	United States	1050 Shares, 5.25% common stock

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

(2)(a) Name & Address (City, State, Country)	(2)(b) Country of Citizenship Of Incorporation	(2)(c) Number & Percentages of Each Class of Voting Securities
J Robert F. McRae, Jr. (Children's Grantor Trust) Graceville, FL 32440	United States	2761 Shares, 13.81% common stock
J C. Finley McRae (Children's Grantor Trust) Graceville, FL 32440	United States	4096 Shares, 20.48% common stock

FORM FR Y-6

PBG FINANCIAL SERVICES, INC

DECEMBER 31, 2011

REPORT ITEM 4: Insiders

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

(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)

(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)
✓ Donald R. Graham Graceville, Fl. 32440 USA	Chairman, CEO Peoples Bank of Graceville	Pres./Chrm. & Dir.	Chrm. & Director (Peoples Bank of Graceville)	None	5.25%	None	None
✓ Waymer Bryan Graceville, Fl 32440 USA	Retired Graceville Oil Co.	Director	Director (Peoples Bank of Graceville)	None	0.2%	None	Graceville Oil Co. 100%
✓ Joseph Jernigan Graceville, Fl. 32440 USA	CEO Arnold Lumber Co.	Director	Director (Peoples Bank of Graceville)	VP/Sec. Buckeye Nursery CEO Jernigan Co. LLC Pres. Abbeville Forest Products, LLC Mg. Member Jernigan Forest Products, LLC Mg. Member Overland Air Mg. Member High Country Forest, LLC Chrm. CEO Arnold Lumber Co.	0.1%	None	Buckeye Nursery, Inc. 33% Jernigan Co., LLC 100% Abbeville Forest Products 67% Jernigan Forest Products 80% Overland Air, 50% High Country Forest, LLC 35% Arnold Lumber 100%

Joseph Sheffield Panama City, Fl. 32411	Attorney	Sec/ Director	Sec/Dir. (Peoples Bank of Graceville)	Pt. BMMS Properties, Inc. Mg. Member Jasco, LLC Mg. Member McShef Vent Mg. Member Shefco, LLC Mg. Member Watermark Properties, LLC Mg. Member S & H LLC	6.89%	None	BMMS Properties, Inc. 38% JASCO, LLC 50% McShef Ventures, LLC 50% Shefco, LLC 27.50% Watermark Properties, LLC 23.30% S & H LLC 25%
C. Finley McRae Graceville, FL 32440, USA	Independent Sawmill	V.Chrm, Director	V.Chrm. Director (Peoples Bank of Graceville)	Mg. Member McRae Investments Pres. North Fl. Woodlands Pres Apalachee Pole Co. Mg. Member Rex Trading Pres. Panhandle Energy	5.44%	None	McRae Investments 47.565% North Fl. Woodlands 50.00% Apalachee Pole Co. 79.167% Rex Trading 49.90% Panhandle Energy 62.616%
David M. Watford Graceville, FL 32440 USA	President Peoples Bank of Graceville	VP/Director	President, COO Director, (Peoples Bank of Graceville)	None	0.4%	None	None
John B. Turner Dothan, AL 36305 USA	Manager, VF Factory Stores Services, Inc	Asst.Sec/Director	Asst.Sec./Director (Peoples Bank)	None	.12%	None	None
Carol C. Smith Graceville, FL 32440 USA	Ex.VP & Cashier Peoples Bank Graceville	Treasurer	Exe VP & Cashier (Peoples Bank of Graceville)	None	0.5%	None	None

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**Results:** A list of branches for your depository institution is provided below. This depository institution is held by PEOPLES BANK OF JACKSONVILLE, FL. The data are as of 12/31/2011. Data reflects information that was received and processed through 1/11/2012.

**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 opened 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.

: printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or a larger paper.

**Submission Procedures**

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 emailing this to your FRB contact, add 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 "Add" or "Change". 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	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK	12/31/2011	Full Service (Head Office)	717232	PEOPLES BANK OF GRAPEVILLE	5306 BROWN STREET	GRAPEVILLE	FL	32440	JACKSON	UNITED STATES	5013	6	PEOPLES BANK OF GRAPEVILLE	717232	