

Board of Governors of the Federal Reserve System



Annual Report of Bank Holding Companies—FR Y-6

2496193

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):

June 30, 2012

Month / Day / Year

I, Gates Little, President
Name of the Bank Holding Company Director and Official

Reporter's Name, Street, and Mailing Address

The Southern Banc Company, Inc.

Legal Title of Bank Holding Company

P.O. Box 1130

Title of the Bank Holding Company Director and Official

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

Gadsden AL 35902

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.

221 SOUTH 6TH 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:

Peggy Smith Secretary/Treasurer

Name Title

256-543-3860

Area Code / Phone Number / Extension

256-543-3864

Area Code / FAX Number

psmith@sobanco.com

E-mail Address

Signature of Bank Holding Company Director and Official

www.sobanco.com

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

Date of Signature JULY 26, 2012

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 117775 2496193
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.

The Southern Bank Company

Legal Title of Subsidiary Bank Holding Company

P.O. Box 1130

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

Gadsden AL 35902

City State Zip Code

221 South 6th Street

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)

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City State Zip Code

Physical location (if different from mailing address)

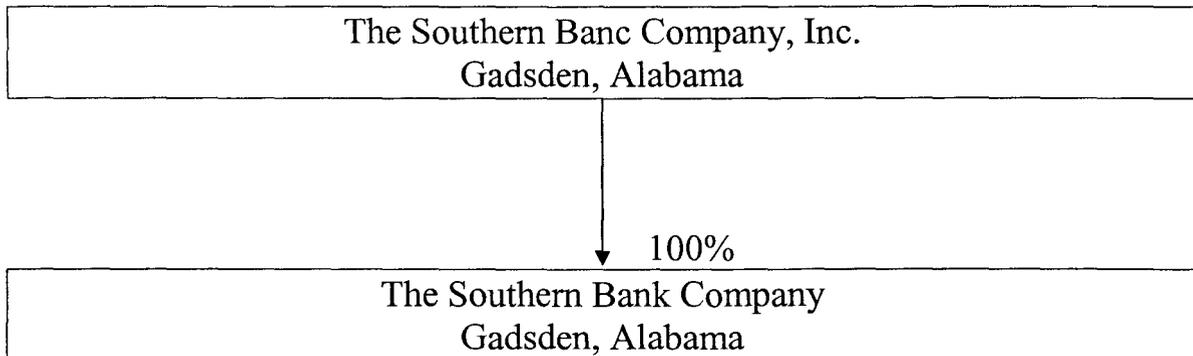
Form FRY-6

**The Southern Banc Company, Inc.
Gadsden, Alabama
Fiscal Year Ending June 30, 2012**

Report Item

1: The bank holding company prepares an annual report in October for its securities holders. Two copies will be sent in October.

2: Organizational Chart



**The Southern Banc Company, Inc.
Fiscal Year Ending June 30, 2012**

Report Item 2 (b)

**The Southern Banc Company, Inc., the Holding Company for,
The Southern Bank Company. Listed below is the information for all four
branches:**

The Southern Bank Company
Opened June 1936
221 So. 6th Street
Gadsden, AL 35901
Full Service

The Southern Bank Company - *Albertville Branch*
Opened August 1965
625 East Main Street
Albertville, AL 35950
Full Service

The Southern Bank Company - *Guntersville Branch*
Opened March 1971
2204 Henry Street
Guntersville, AL 35976
Full Service

The Southern Bank Company - *Centre Branch*
Opened May 1994
390 West Main Street
Centre, AL 35960
Full Service

Form FRY-6
The Southern Banc Company, Inc.
Fiscal Year Ending June 30, 2012

Report Item 3: Securities holders

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

| Current securities holders with ownership, control or holdings of 5% or more With power to vote as of fiscal year ending 6-30-2012 | | | Securities holders not listed in 3(1) (c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 6-30-2012 | | |
|---|---|---|--|---|---|
| (1) (a) Name, City, State, Country | (1) (b) Country of Citizenship or Incorporation | (1) (c) Number and Percentage of Each Class of Voting Securities | (2) (a) Name, City, State, Country | (2) (b) Country of Citizenship or Incorporation | (2) (c) Number and Percentage of Each Class of Voting Securities |
| Estate of James B. Little, Jr. Gadsden, AL | USA | 50,333 – 6.2% Common Stock | The Southern Banc Company, Inc. Employee Stock Ownership Plan Gadsden, AL | USA | 71,253 – 8.8% Common Stock |
| Gates Little Gadsden, AL | USA | 55,998 – 6.9% Common Stock | <u>Trustees</u> Thomas Dowling, III and Fred Taylor Gadsden, AL | | |
| James B. Little, III Birmingham, AL | USA | 76,400 – 9.5% Common Stock | | | |
| Directors (4 persons) Gadsden, AL | USA | 50,791 – 6.3% Common Stock | | | |
| Thomas F. Dowling, III | | 12,123 – 1.50% | | | |
| F. Michael Haney | | 100 – 0.01% | | | |
| Fred Taylor | | 12,600 – 1.60% | | | |
| Thomas Alan Ritchie, Jr. | | 200 – 0.02% | | | |
| The Southern Banc Co. Stock Option and Incentive Plan Dowling & Taylor, <u>Trustees</u> | | 25,768 – 3.20% | | | |

Form FR Y-6
The Southern Banc Company, Inc.
Fiscal Year Ending June 30, 2012

Report Item 4: insiders
(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

| (1) Name, 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) |
|---|--|--|---|---|--|---|--|
| Gates Little Gadsden, AL USA | N/A | Director & President | Director & President (The Southern Bank Company) | N/A | 6.9% | 100% as President (The Southern Bank Company) | N/A |
| Thomas Alan Ritchie, Jr. Birmingham, AL USA | President of RMI, Inc. | Director | Director | Partner in NCP Private Equity Fund 1 | 0.02% | N/A | A'mano 50% |
| F. Michael Haney Gadsden, AL USA | Attorney | Director | Director | Partner in Inzer, Haney, & McWhorter PA | 0.01% | N/A | NA |
| Thomas F. Dowling, III Leesburg, AL USA | Retired Dentist | Director | Director | N/A | 1.5% | N/A | N/A |

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) Name, 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) |
|---|--|--|---|---|--|---|---|
| Fred Taylor Albertville, AL USA | Owner Taylor Realty | Director | Director | N/A | 1.6% | N/A | Taylor Realty 100% Taylor & Taylor 90% Taylor Construction 45% |
| James B. Little, III Birmingham, AL USA | Founder of New Capital Partners, LLC | Director | N/A | Partner New Capital Partners, LLC | 9.5% | N/A | New Capital Partners, LLC 25% |

(James B. Little, III (4)(c) continued on next page)

(4)(c)

James B. Little, III continued

- 50% NCP Management Holdings Inc.
- 50% New Capital Partners, Inc.
- 50% NCP CAPCO Management Co. Inc.
- 50% NCP Alabama Fund II LLC
- 30% NCP Alabama Fund LLC
- 53.2% NCP Texas Fund, LLC (Series A)
- 25% Waveland NCP Alabama Ventures II LLC
- 27% Waveland NCP Ventures, LP
- 25% Waveland Texas Ventures Management, LP
- 50% NCP Texas Fund, LLC (Series B)
- 25% Waveland NCP Texas Ventures II, LP
- 50% Depot Properties, LLC
- 33% Fanning Branch Realty, LLC