

Board of Governors of the Federal Reserve System



# Annual Report of Holding Companies—FR Y-6

MAR 30 REC'D

## 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):

12/31/2015  
Month / Day / Year

I, Reed Alexander  
Name of the Holding Company Director and Official  
President  
Title of the Holding Company Director and Official

N/A  
Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address  
Union Bancshares Inc.  
Legal Title of Holding Company

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.

PO Box 647  
(Mailing Address of the Holding Company) Street / P.O. Box

Pell City AL 35125  
City State Zip Code

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.

2019 Cogswell Ave.  
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:  
Allison Kilgore Vice President / Cashier  
Name Title

Reed Alexander  
Signature of Holding Company Director and Official  
3-29-16  
Date of Signature

205-884-1520  
Area Code / Phone Number / Extension

205-884-1540  
Area Code / FAX Number

AKilgore@unionstate.net  
E-mail Address

www.unionstate.net  
Address (URL) for the Holding Company's web page

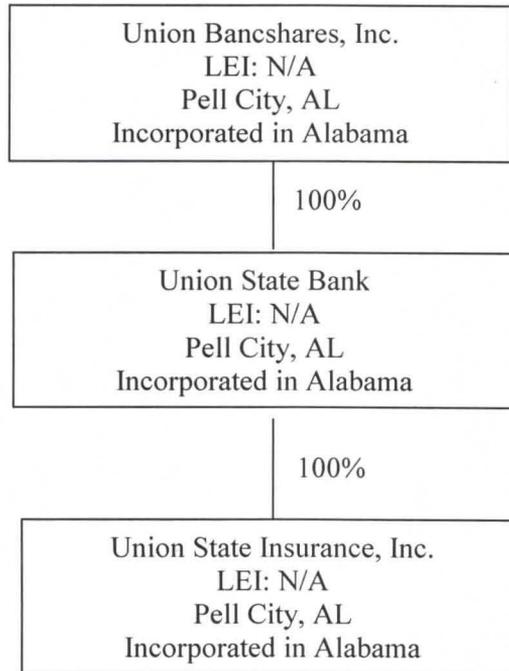
For holding companies not registered with the SEC—  
Indicate status of Annual Report to Shareholders:  
 is included with the FR Y-6 report  
 will be sent under separate cover  
 is not prepared

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

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RSSD ID 1035358  
C.I. \_\_\_\_\_

**UNION BACSHARES, INC.  
ATTACHMENT TO ANNUAL REPORT F.R. Y-6  
DECEMBER 31, 2015  
REPORT ITEMS**

- 1: Annual report to shareholder:  
An Annual Report is not provided to the shareholders
- 2a: Organizational Chart



- 2b. See Copy Attached
3. Shareholders  
Copy Attached
4. Directors and Officers:  
Copy Attached

Confirmation

Reed Alexander, President

**Results:** A list of branches for your depository institution: UNION STATE BANK (ID\_RSSD: 467733)  
 This depository institution is held by UNION BANCSHARES, INC. (1085358) of PELL CITY, AL  
 The data are as of 12/31/2015. Data reflects information that was received and processed through 01/07/2016.

**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 **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.

| 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      |
|-------------|----------------|----------------------------|-----------------|-------------------------|---------------------------------|----------------|-------|----------|-----------|---------------|--------------|----------------|------------------|
| OK          |                | Full Service (Head Office) | 467733          | UNION STATE BANK        | 15 NORTH 20TH STREET            | PELL CITY      | AL    | 35125    | ST. CLAIR | UNITED STATES | 3815         | 0              | UNION STATE BANK |
| OK          |                | Full Service               | 35534           | ASHVILLE BRANCH         | 32 COURT STREET EAST            | ASHVILLE       | AL    | 35953    | ST. CLAIR | UNITED STATES | 5788         | 7              | UNION STATE BANK |
| OK          |                | Full Service               | 1986026         | HOOVER BRANCH           | 3437 LORNA ROAD                 | BIRMINGHAM     | AL    | 35216    | JEFFERSON | UNITED STATES | 38994        | 6              | UNION STATE BANK |
| OK          |                | Full Service               | 469531          | CEDAR BLUFF BRANCH      | 3460 OLD HIGHWAY 9              | CEDAR BLUFF    | AL    | 35959    | CHEROKEE  | UNITED STATES | 16812        | 3              | UNION STATE BANK |
| OK          |                | Full Service               | 559432          | CENTRE BRANCH           | 796 CEDAR BLUFF ROAD            | CENTRE         | AL    | 35960    | CHEROKEE  | UNITED STATES | 207875       | 4              | UNION STATE BANK |
| OK          |                | Full Service               | 523639          | CROPWELL BRANCH         | 2408 MAYS DRIVE                 | CROPWELL       | AL    | 35054    | ST. CLAIR | UNITED STATES | 207874       | 2              | UNION STATE BANK |
| OK          |                | Full Service               | 3208414         | LAKESHORE DRIVE BRANCH  | 2200 LAKESHORE DRIVE, SUITE 100 | HOMEWOOD       | AL    | 35209    | JEFFERSON | UNITED STATES | 419634       | 14             | UNION STATE BANK |
| OK          |                | Full Service               | 2404666         | PELHAM OFFICE           | 2267 PELHAM PARKWAY             | PELHAM         | AL    | 35124    | SHELBY    | UNITED STATES | 207881       | 12             | UNION STATE BANK |
| OK          |                | Full Service               | 559834          | OPERATION CENTER BRANCH | 2019 COGSWELL AVENUE            | PELL CITY      | AL    | 35125    | ST. CLAIR | UNITED STATES | 207876       | 5              | UNION STATE BANK |
| OK          |                | Full Service               | 431930          | PLAZA BRANCH            | 509 MARTIN STREET NORTH         | PELL CITY      | AL    | 35125    | ST. CLAIR | UNITED STATES | 207873       | 1              | UNION STATE BANK |
| OK          |                | Full Service               | 2002138         | PLEASANT GROVE BRANCH   | 829 PARK ROAD                   | PLEASANT GROVE | AL    | 35127    | JEFFERSON | UNITED STATES | 207879       | 10             | UNION STATE BANK |
| OK          |                | Full Service               | 3048807         | TRUSSVILLE BRANCH       | 305 MAIN STREET                 | TRUSSVILLE     | AL    | 35173    | JEFFERSON | UNITED STATES | 365192       | 13             | UNION STATE BANK |
| OK          |                | Full Service               | 3341674         | AIRPORT ROAD BRANCH     | 978 AIRPORT ROAD                | DESTIN         | FL    | 32541    | OKALOOSA  | UNITED STATES | 432013       | 19             | UNION STATE BANK |
| OK          |                | Full Service               | 3570513         | RATTLESNAKE ROAD BRANCH | 5484 RATTLESNAKE HAMMOCK ROAD   | NAPLES         | FL    | 34113    | COLLIER   | UNITED STATES | 458326       | 21             | UNION STATE BANK |

OK



3. Shareholders:

| (1)(a), (1)(b)<br>Name and Address  | (1)(c)<br># of Shares | (1)(c)<br>Percentage        |
|---|-----------------------|-----------------------------|
| Thomas Reed Alexander<br>Pell City, Alabama 35125<br>USA                          | 262,175               | 19.88% Common Stock         |
| Reed Alexander<br>GS Exempt TR<br>Cropwell, AL 35054<br>USA                       | 56,550                | 4.29% Common Stock          |
| SAL for benefit of<br>Thomas Reed Alexander Sr.<br>Cropwell, Alabama 35054<br>USA | 42,000                | 3.19% Common Stock          |
| <b>Total for Thomas Reed Alexander, Sr.</b>                                       | <b>360,725</b>        | <b>27.36% Common Stock</b>  |
| Rex V. Alexander<br>Pell City, Alabama 35125<br>USA                               | 276,551               | 20.97% Common Stock         |
| Rex Alexander<br>GS Exempt TR<br>Birmingham, AL 35216<br>USA                      | 56,550                | 4.29% Common Stock          |
| SAL for benefit of<br>Rex V. Alexander<br>Pell City, Alabama 35125<br>USA         | 19,490                | 1.48% Common Stock          |
| <b>Total for Rex V. Alexander</b>   | <b>352,591</b>        | <b>26.74% Common Stock</b>  |
| Others<br>Individually less than 5%<br>All are American Citizens.                 | 605,180               | 45.90% Common Stock         |
| <b>TOTALS</b>   | <b>1,318,496</b>      | <b>154.10% Common Stock</b> |

27.36%

26.74%

3.2. NONE

4. Directors and Officers:

| (1)<br>Name & Address<br>(City, State, County)           | (2)<br>Principal<br>Occupation | (3)(a)<br>Title & Position<br>with Holding Co. | (3)(b)<br>Title & Position<br>Subsidiaries  | (3)(c)<br>Title & Position<br>with other Business                     | (4)(A)<br>Percentage of<br>Voting Shares<br>Holding Company | (4)(b)<br>Percentage of<br>Voting Shares<br>Subsidiaries | (4)(c)<br>List names of<br>other companies<br>with voting shares |
|--|--------------------------------|--|---|---|---|--|--|
| Thomas Reed Alexander<br>Pell City, Alabama 35125<br>USA | Banker                         | President<br>Director                          | CEO & Director<br>Union State Bank,<br>Director of                                | N/A   | 27.36%  | N/A  | N/A  |
|  |                                |  | Union State Insurance   |   |   |  |  |
| Rex V. Alexander<br>Pell City, Alabama 35125<br>USA      | Banker                         | Treasurer<br>Director                          | President & Director<br>Union State Bank,<br>Director of<br>Union State Insurance | N/A   | 26.74%  | N/A  | N/A  |
| Patrick S. Burnham<br>Tuscaloosa, Alabama<br>USA         | Attorney                       | Director                                       | Director of Union<br>State Bank,  | Patrick S. (Rick) Burnham<br>Attorney at Law, LCC.<br>Member<br>Owner | Less than 1%  | N/A  | 100%   |
| Allison Kilgore<br>Southside, Al.<br>USA                 | Banker                         | Secretary                                      | Vice President<br>Union State Bank  | N/A   | Less than 1%  | N/A  | N/A  |