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Approval Expires December 31, 2015
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Board of Governors of the Federal Reserve System

MAR 31 2014



Annual Report of Holding Companies—FRB RICHMOND

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):

December 31, 2013

Month / Day / Year

I, Michael D. Larrowe

Reporter's Name, Street, and Mailing Address

Cardinal Bankshares Corporation

Name of the Holding Company Director and Official

Legal Title of Holding Company

101 Jacksonville Circle/P.O. Box 215

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

Floyd

VA

24091

City

State

Zip Code

Title of the Holding Company Director and Official

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.

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:

J. Alan Dickerson

CFO/SVP

Name

Title

540-745-5207

Area Code / Phone Number / Extension

540-745-4133

Area Code / FAX Number

adickerson@bankoffloyd.com

E-mail Address

www.bankoffloyd.com

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

Michael D. Larrowe

Signature of Holding Company Director and Official

3/26/2014

Date of Signature

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

For Federal Reserve Bank Use Only

RSSD ID
C.I.

2434467

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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**Cardinal Bankshares Corporation
Floyd, Virginia
Fiscal Year Ending December 31, 2013**

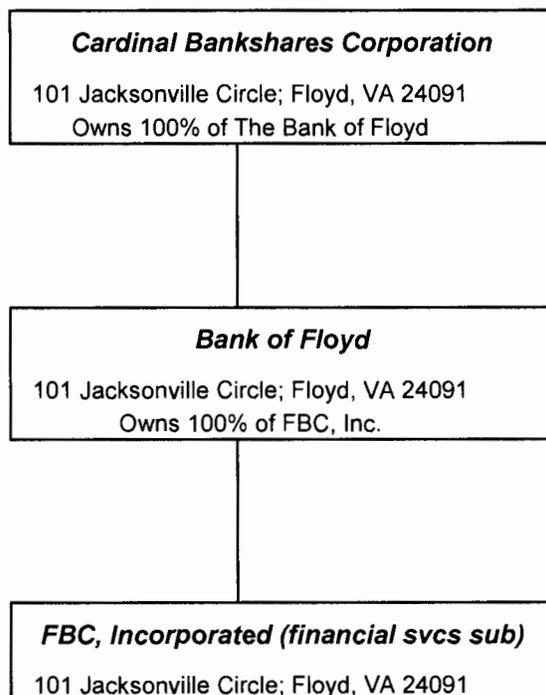
- Report Item 1: Annual Report to Shareholders - filed herewith
- Report Item 2a: Organizational Chart - filed herewith
- Report Item 2b: Branch Listing - Submitted via e-mail 3/26/2014
- Report Item 3: Shareholders List - filed herewith
- Report Item 4: Insiders - filed herewith

Form FR Y-6

**Cardinal Bankshares Corporation
Floyd, Virginia
Fiscal Year Ending December 31, 2013**

Report Item 2a: Organizational Chart

Single Bank Holding Company



**STATE OF INCORPORATION FOR ALL (3) ENTITIES
IS THE COMMONWEALTH OF VIRGINIA**

Results: A list of branches for your depository institution: BANK OF FLOYD (ID_RSSD: 355821).
 This depository institution is held by CARDINAL BANKSHARES CORPORATION (2434467) of FLOYD, VA.
 The data are as of 12/31/2013. Data reflects information that was received and processed through 01/07/2014.

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.

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		Full Service (Head Office)	355821	BANK OF FLOYD	101 JACKSONVILLE CIRCLE	FLOYD	VA	24091	FLOYD	UNITED STATES	11066	0	BANK OF FLOYD	355821	
OK		Full Service	2932794	CHRISTIANSBURG BRANCH	2145 ROANOKE ST	CHRISTIANSBURG	VA	24073	MONTGOMERY	UNITED STATES	357127	4	BANK OF FLOYD	355821	
OK		Full Service	3599279	FAIRLAWN BRANCH	7349 PEPPERS FERRY BOULEVARD	FAIRLAWN	VA	24141-88	PULASKI	UNITED STATES	466430	7	BANK OF FLOYD	355821	
OK		Full Service	2707639	HILLSVILLE BRANCH	185 SOUTH MAIN ST	HILLSVILLE	VA	24343	CARROLL	UNITED STATES	239896	2	BANK OF FLOYD	355821	
OK		Full Service	2037998	CAVE SPRING OFFICE	4094 POSTAL DRIVE, SW	ROANOKE	VA	24018	ROANOKE	UNITED STATES	239895	1	BANK OF FLOYD	355821	
OK		Full Service	3329757	SALEM BRANCH	1634 WEST MAIN STREET	SALEM	VA	24153	SALEM CITY	UNITED STATES	442337	5	BANK OF FLOYD	355821	
OK		Full Service	2602592	WILLIS BRANCH	5598-B FLOYD HWY SOUTH	WILLIS	VA	24380	FLOYD	UNITED STATES	239897	3	BANK OF FLOYD	355821	

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Floyd, Virginia
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Report Item 3: Shareholders
(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 12-31-13

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 12-31-13

(1)(a) Name & Address (City, State, County)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities	(2)(a) Name & Address (City, State, County)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
<i>Douglas E. Schaller</i> <i>Winston-Salem, NC 27101</i>	<i>USA</i>	<i>151,267 = 9.85%</i>	<i>NONE</i>		
<i>Joseph H Conduff, Jr.</i> <i>Floyd, VA 24091</i>	<i>USA</i>	<i>96,853 = 6.31%</i>			

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Floyd, Virginia
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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 partner- ships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
Joseph Howard Conduff, Jr. Floyd, VA 24091	Dentist	Director Chairman of Audit Committee	N O N E	Dr. J Howard Conduff, Jr., DDS General Dentistry/Owner	6.307%	N O N E	Dr. J. Howard Conduff, Jr., DDS 100%
J. Alan Dickerson Floyd, VA 24091	None	Chief Financial Officer & Senior Vice-President	CFO & SVP	The Bank of Floyd	0.003%	N O N E	N O N E
T. Mauyer Gallimor Floyd, VA 24091	Realor/Appraiser	Director	N O N E	Blue Ridge Land & Auction Owner/Broker	0.408%	N O N E	Blue Ridge Land & Auction 100%
John Paul Houston Floyd, VA 24091	Financial Advisor	Director Chairman of the Board	NONE	Stone, Houston & Associates General Partner/VP/Secretary	0.017%	N O N E	Stone, Houston & Associates 50%
				Pendergrass Farm, LLC Managing Member			Pendergrass Farm, LLC 50%
				Sweet Province Farm, LLC Managing Member			Sweet Province Farm, LLC 100%
Michael D. Larrowe Floyd, VA 24091	None	President & Chief Executive Officer Director	President & CEO	The Bank of Floyd	0.036%	N O N E	N O N E
				Cranberry Office Park, LLC Member			Cranberry Office Park, LLC 50%
				Cranberry Office Park II, LLC Member			Cranberry Office Park II, LLC 25%
				Twin County Avaiton, LLC Member			
				Twin County Avaiton Services, LLC Member			
				Vaughan Furniture Company, Inc Director			
James W. Shortt Floyd, VA 24091	Attorney	Director	None	James W. Shortt & Associates Attorney/President/Owner	0.123%	N O N E	James W. Shortt & Associates 100%
				Buford Lee, LLC Member			Buford Lee, LLC 50%

Other than Officers and Directors, outsiders would be listed on this schedule if percentage of shares owned are 10.000% or greater.