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FR Y-6  
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Approval expires September 30, 2018  
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MAR - 1 2016

Board of Governors of the Federal Reserve System



# FRB RICHMOND

## Annual Report of 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)) 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.

I, Matthew L. Burns

Name of the Holding Company Director and Official

President and CEO

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.

*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.*

Signature of Holding Company Director and Official

02/25/2016

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 1142840  
C.I. \_\_\_\_\_

Date of Report (top-tier holding company's fiscal year-end):

December 31, 2015

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

First National Bankshares Corporation

Legal Title of Holding Company

P.O. Box 457

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

Ronceverte WV 24970

City State Zip Code

One Cedar Street

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Matthew L. Burns President and CEO

Name Title

304-647-4264

Area Code / Phone Number / Extension

304-647-4315

Area Code / FAX Number

mburns@fnbvw.com

E-mail Address

N/A

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

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

**FIRST NATIONAL BANKSHARES CORPORATION**  
**ANNUAL REPORT OF BANK HOLDING COMPANIES - FR Y-6**

**Report Item 1: Annual Report to Shareholders**

Please find enclosed three copies of the consolidated financial statements prepared by management.

**Report Item 2a: Organizational Chart**

See Attachment A.

**Report Item 2b: Domestic Branch Listing**

See enclosed report.

**Report Item 3: Shareholders**

- 1) Shareholders owning and/or controlling 5 percent or more of any class of voting securities in the Company as of December 31, 2015:

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<u>Name</u> <u>City and State</u>	<u>Country of</u> <u>Citizenship</u>	<u>Outstanding</u> <u>Shares Owned/</u> <u>Controlled</u>	<u>Vested</u> <u>Stock Options</u>	<u>Total %</u> <u>Ownership/</u> <u>Control</u>
James I. Campbell Frankford, WV	USA	64,194	0	7.7%
Deborah B Lesley and her related interests Falls Church, VA	USA	44,500	0	5.3%

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- 2) Shareholder(s) that owned or controlled 5 percent or more of any class of voting securities of the Company during the fiscal year.

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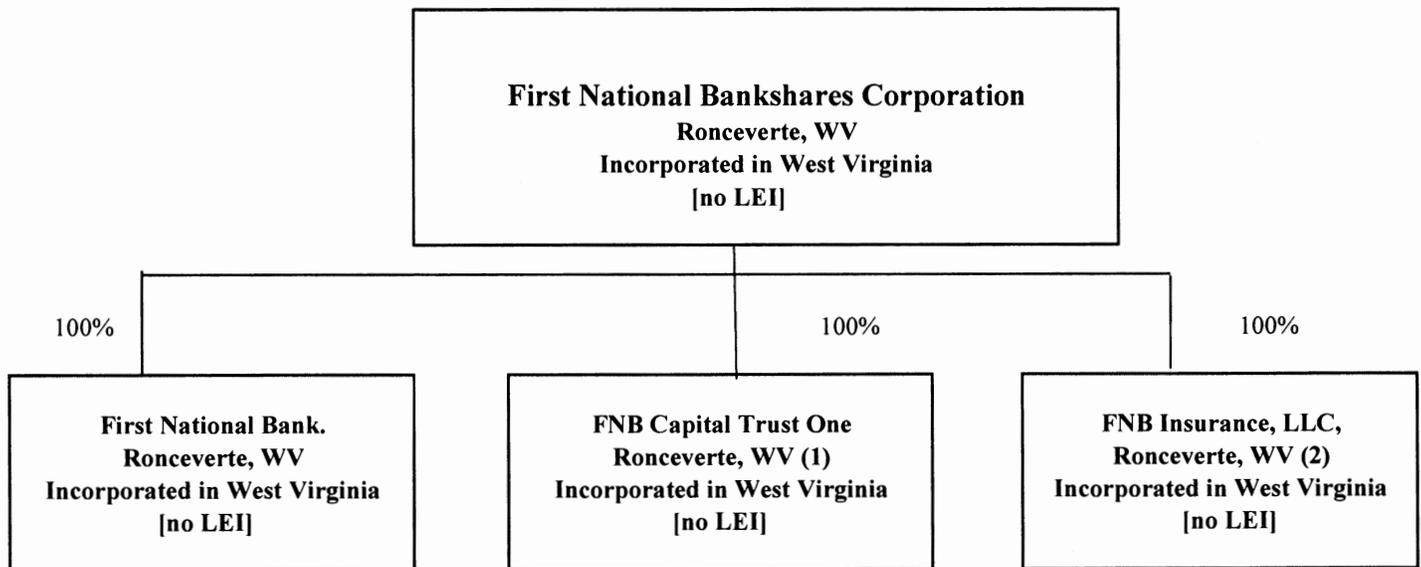
<u>Name</u> <u>City and State</u>	<u>Country of</u> <u>Citizenship</u>	<u>Outstanding</u> <u>Shares Owned/</u> <u>Controlled</u>	<u>Vested</u> <u>Stock Options</u>	<u>Total %</u> <u>Ownership/</u> <u>Control</u>
James C. Justice, II and his related interests Lewisburg, WV	USA	81,802	0	9.8%

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**Report Item 4: Insiders**

See the attached chart for a listing of each director and/or executive officer of the Company. With regards to item (4)(b) of Report Item 4 – “Percentage of Voting Shares in Subsidiaries,” and as described above in Report Item 2, all common stock of the subsidiary bank is owned by the Holding Company, therefore, this item is not applicable.

**First National Bankshares Corporation**  
**Attachment A to FRY-6**  
**Organization Chart**  
**December 31, 2015**



**Footnotes:**

- (1) Statutory business trust created in Feb. 2004 to facilitate the issuance of \$6,000,000 in trust preferred securities. First National Bankshares Corporation owns 100% of the equity securities issued by the trust in its formation (\$186,000).
- (2) Organization is a manager-managed company; current appointed managers are: Matthew L. Burns and Jeffrey A. Vickers

**RONCEVERTE, WEST VIRGINIA**

As of December 31, 2015

(1) Director's / Officer's Full Name & Address	(2) Principal Occupation if Other Than With the Bnk Hldg Co.	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Bank Subsidiary	(3)(c) Title & Position with Other Businesses	(4)(a) Percentage of Voting Shares in Holding Co.	(4)(b) % of Voting shares in subsidiaries	(4)(c) Any businesses, partnerships or other entities in which the Director/Officer maintains a 25% or greater ownership interest
<b>Michael G. Campbell</b> Renick, WV	Investor/Oil & Gas Executive Owner - Renick Farm	Director	Director	Pres. - MGC Inc. Pres. - Javilina Inc. Owner - Renick Farm	2.58%	N/A	MGC Inc. 70% Javilina Inc. 50% Owner - Renick Farm 100%
<b>D. Allen Carson</b> Lewisburg, WV	President - Carson Assoc.	Director	Director	Pres./Dir. - Greenbrier Medical Arts Pharmacy Inc President/Director - Carson Associates, Inc. Vice Pres/Dir. - Western Greenbrier Pharmacy Inc. Vice Pres/Dir. - Greenbrier Communications Inc. Member - Carson & Criddle LLC	1.66%	N/A	Greenbrier Medical Arts Pharmacy Inc 70% Carson Associates, Inc. 100% Western Greenbrier Pharmacy Inc 50% Greenbrier Communications Inc 25% Carson & Criddle LLC 100%
<b>Cathy L. Justice</b> Lewisburg, WV	President and owner of Justice Family Racing LLC	Director	Director	Pres. - Justice Family Racing LLC	4.16%	N/A	Justice Family Racing LLC 100%
<b>Deborah B. Lesley</b> Falls Church, VA	Consultant	Director	Director	N/A	5.34%	N/A	N/A
<b>Jason M. Ream</b> Lewisburg, WV	Business Owner - Ream Interests Inc	Director	Director	President - Ream Interests, Inc. President - Armore Development Co.* President - Ream Interests Development Co.* Mgn Partner / Pres - Ream Propertes LLC* Mgn Partner / Pres - Three Rivers Pizza LLC* Mgn Partner / Pres - Sixty West Capital* Mgn Partner / Pres - Ream T.B. Development Co. LLC* Limited Partner - Abell Development Co. LP Limited Partner - Beaver Valley Development Co. LP Limited Partner - Belahey Development Co. LP Limited Partner - Lebanon Church Development Co. LP Limited Partner - Waterfront Hotel Associates LP Limited Partner - Mon Valley Dev Co LP Limited Partner - PVH Dev Co LP [*entity is a fully-owned subsidiary of Ream Interests, Inc]	1.01%	N/A	Ream Interests, Inc. 50%
<b>William R. Satterfield, Jr.</b> Lewisburg, WV	Semi-retired Insurance Agent	Director	Director	N/A	1.15%	N/A	N/A
<b>Ronald B. Snyder</b> Lewisburg, WV	Contractor	Director Chairman of the Board	Director Chairman of the Board	President - RBS, Inc.	3.97%	N/A	RBS, Inc. 51%
<b>Kevin A. Workman</b> Lewisburg, WV	Physical Therapist COO, The Greenbrier Resort	Director	Director	Owner, Greenbrier Valley Physical Therapy LLC Member - Greenbrier Medworks LLC Member - Summit Village Properties LLC Member - Graceworks LLC	0.36%	N/A	Greenbrier Valley Physical Therapy LLC 100% Greenbrier Medworks LLC 54% Summit Village Properties LLC 50% Graceworks LLC 50%
<b>Matthew L. Burns</b> Lewisburg, WV	N/A	President and CEO Director	President and CEO Director	Manager - LandS Burns Properties, LLC	0.19%	N/A	N/A
<b>Adam L. Erskine</b> Ronceverte, WV	N/A	VP - Treasurer	SVP - Chief Financial Officer	N/A	0.00%	N/A	N/A
<b>Mary L. Thompson</b> Ronceverte, WV	N/A	VP - Secretary	SVP-Chief Operations Officer Secretary to the Board	N/A	1.54%	N/A	N/A

am (4)(a) - Percentage of Voting Shares in Holding Co. - is based upon "beneficial ownership" as defined by Section 16 of the Securities Exchange Act of 1934.

**Results:** A list of branches for your holding company: FIRST NATIONAL BANKSHARES CORPORATION (1142840) of RONCEVERTE, WV.  
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 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)	4437	FIRST NATIONAL BANK	1 CEDAR STREET	RONCEVERTE	WV	24970	GREENBRIER	UNITED STATES	4567	0	FIRST NATIONAL BANK	4437	
OK		Full Service	3091317	COVINGTON BRANCH	151 NORTH COURT AVENUE	COVINGTON	VA	24426	COVINGTON CITY	UNITED STATES	363093	3	FIRST NATIONAL BANK	4437	
OK		Full Service	3311752	HOT SPRINGS BRANCH	2812 MAIN STREET	HOT SPRINGS	VA	24445	BATH	UNITED STATES	433872	5	FIRST NATIONAL BANK	4437	
OK		Full Service	3845266	DOWNTOWN LEWISBURG BRANCH	1125 EAST WASHINGTON STREET	LEWISBURG	WV	24901	GREENBRIER	UNITED STATES	493045	7	FIRST NATIONAL BANK	4437	
OK		Full Service	1357457	LEWISBURG BRANCH	799 NORTH JEFFERSON STREET	LEWISBURG	WV	24901	GREENBRIER	UNITED STATES	212203	1	FIRST NATIONAL BANK	4437	
OK		Full Service	3586943	EAST MAIN STREET BRANCH	901 EAST MAIN STREET	WHITE SULPHUR SPRINGS	WV	24986	GREENBRIER	UNITED STATES	452493	6	FIRST NATIONAL BANK	4437	

**FIRST NATIONAL BANKSHARES CORPORATION  
AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEET  
December 31, 2015**

	<b>Unaudited 2015</b>
<b>ASSETS</b>	
Cash and due from banks	\$ 3,982,323
Interest-bearing deposits with other banks	10,001,488
Cash and cash equivalents	13,983,811
Securities available for sale, at fair value	76,780,570
Loans, net of allowance for loan losses of \$1,996,815 and \$2,160,344, respectively	134,893,173
Premises and equipment, net	4,620,113
Accrued interest receivable	646,006
Other real estate owned and repossessed assets, net of valuation allowance of \$0	-
Bank owned life insurance, cash surrender value	6,306,684
Deferred tax assets, net	1,269,705
Other assets	380,273
<b>Total assets</b>	<b>\$ 238,880,335</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	
<b>Liabilities</b>	
Deposits	
Noninterest-bearing	\$ 22,215,043
Interest-bearing	182,273,635
Total deposits	204,488,678
Short-term borrowings	2,305,740
Other liabilities	5,553,212
Long-term borrowings	1,274,639
Trust preferred capital notes	6,186,000
<b>Total liabilities</b>	<b>219,808,269</b>
<b>Shareholders' equity</b>	
Common stock, \$1.00 par value, authorized 10,000,000 shares, issued 896,897 shares	896,897
Capital surplus	424,316
Retained earnings	19,033,511
Accumulated other comprehensive income (loss)	229,239
Common stock in treasury, at cost, 64,085 shares	(1,511,897)
<b>Total shareholders' equity</b>	<b>19,072,066</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 238,880,335</b>

**PREPARED BY MANAGEMENT**

**FIRST NATIONAL BANKSHARES CORPORATION  
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF INCOME  
For the Years Ended December 31, 2015**

	<u>Unaudited 2015</u>
<b>Interest and dividend income</b>	
Interest and fees on loans	\$ 6,309,603
Interest and dividends on securities:	
Taxable	1,261,092
Tax-exempt	564,352
Interest on federal funds sold and interest-bearing deposits	85,791
<b>Total interest and dividend income</b>	<u><b>8,220,838</b></u>
<b>Interest expense</b>	
Deposits	1,036,170
Short-term borrowings	5,970
Long-term borrowings and trust preferred capital notes	282,426
<b>Total interest expense</b>	<u><b>1,324,566</b></u>
<b>Net interest income</b>	<u><b>6,896,272</b></u>
<b>Provision for loan losses</b>	<u><b>(350,000)</b></u>
<b>Net interest income after provision for loan losses</b>	<u><b>7,246,272</b></u>
<b>Non-interest income</b>	
Service fees	797,359
Securities (losses) gains on sales	1,829
Other income	1,050,335
<b>Total non-interest income</b>	<u><b>1,849,523</b></u>
<b>Non-interest expense</b>	
Salaries and employee benefits	3,058,556
Net occupancy expense	487,994
Equipment rental, depreciation and maintenance	386,144
Data processing	844,498
Advertising	89,366
FDIC assessments	170,187
Professional and legal	597,160
Directors' fees and shareholder expenses	129,522
Postage and courier	110,280
Stationery and supplies	134,868
Loss on foreclosed real estate	-
Other operating expenses	959,638
<b>Total non-interest expense</b>	<u><b>6,968,213</b></u>
<b>Income before income taxes</b>	<u><b>2,127,582</b></u>
Income tax expense (benefit)	533,073
<b>Net income</b>	<u><u><b>\$ 1,594,509</b></u></u>
<b>Net income per common share:</b>	
<b>Basic earnings per common share</b>	<u><u><b>\$ 1.91</b></u></u>
<b>Diluted earnings per common share</b>	<u><u><b>\$ 1.91</b></u></u>
<b>Cash dividends declared per common share</b>	<u><u><b>\$ 5.48</b></u></u>

**PREPARED BY MANAGEMENT**

**FIRST NATIONAL BANKSHARES CORPORATION  
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY  
For the Years Ended December 31, 2015**

(Unaudited)	Common Stock	Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Shareholders' Equity
<b>Balance, December 31, 2014</b>	\$ 896,897	\$ 424,316	\$ 22,002,812	\$ 436,450	\$ (1,511,897)	\$ 22,248,578
Net income	-	-	1,594,509	-	-	1,594,509
Other comprehensive loss	-	-	-	(207,211)	-	(207,211)
Cash dividends declared on common stock	-	-	(4,563,810)	-	-	(4,563,810)
<b>Balance, December 31, 2015</b>	<u>\$ 896,897</u>	<u>\$ 424,316</u>	<u>\$ 19,033,511</u>	<u>\$ 229,239</u>	<u>\$ (1,511,897)</u>	<u>\$ 19,072,066</u>

**PREPARED BY MANAGEMENT**