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.

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, Susan K. Still
Name of the Holding Company Director and Official
CEO and Director
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
03/29/2016
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
RSSID ID
3848342
C.I.

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2015
Month / Day / Year
549300M2BTMEM6F0R827
Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Date of Report to the Federal Reserve:
December 31, 2015

Person to whom questions about this report should be directed:
Sheri M. Rock
Controller
Name
Title
540597-1117
Area Code / Phone Number / Extension
540342-1327
Area Code / FAX Number
srock@hometownbank.com
E-mail Address

Does the reporter request confidential treatment for any portion of this submission?
☐ Yes Please identify the report items to which this request applies:
☐ No

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."

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.25 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 25th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.
Report Item

1: The bank holding company is registered with the Securities Exchange Commission.

2a: Organization Chart

```
HomeTown Bankshares Corporation
LEI 549300MZBTMEM6F0R827
Roanoke, VA
Incorporated in Virginia

100%

HomeTown Bank
No LEI
Roanoke, VA
Incorporated in Virginia

100%

HomeTown Investments Services, Inc.
No LEI
Roanoke, VA
Incorporated in Virginia

100%

HomeTown Mortgage Corporation
No LEI
Roanoke, VA
Incorporated in Virginia

100%

HomeTown Insurances Services, Inc
No LEI
Roanoke, VA
Incorporated in Virginia

Manage

HomeTown Residential Mortgage, LLC
No LEI
Roanoke, VA
Incorporated in Virginia
```
2b: Domestic Branch Listing submitted via email on 3/23/2016
A list of branches for your depository institution: HOMETOWN BANK (ID_RSSD: 3357910).

The data is as of 12/31/2015. Data reflects information that was received and processed through 02/07/2016.

Resubmission 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 still in operation, enter 'Close' in the Data Action 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.

**Submission Procedure**
When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.

**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 UNNUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

<table>
<thead>
<tr>
<th>Data Action</th>
<th>Effective Date</th>
<th>Branch Service Type</th>
<th>Branch ID_RSSD</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>FDIC UNNUM</th>
<th>Office Number</th>
<th>Head Office</th>
<th>Head Office ID_RSSD</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>3007910</td>
<td>HOMETOWN</td>
<td>202 SOUTH JEFFERSON STREET</td>
<td>ROANOKE</td>
<td>VA</td>
<td>24011</td>
<td>391067</td>
<td>HOMETOWN</td>
<td>HOMETOWN BANK</td>
<td>3357910</td>
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</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>3811917</td>
<td>NEW RIVER BANK MARKET STREET BRANCH</td>
<td>2990 MARKET STREET</td>
<td>CHRISTIANSBURG</td>
<td>VA</td>
<td>24073</td>
<td>490696</td>
<td>HOMETOWN</td>
<td>HOMETOWN BANK</td>
<td>3357910</td>
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<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>3444968</td>
<td>MONETA</td>
<td>12804 BOOKER T WASHINGTON HIGHWAY</td>
<td>MONETA</td>
<td>VA</td>
<td>24333</td>
<td>481395</td>
<td>HOMETOWN</td>
<td>HOMETOWN BANK</td>
<td>3357910</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>3591424</td>
<td>COLONIAL AVENUE AT 419 BRANCH</td>
<td>4205 COLONIAL AVENUE</td>
<td>ROANOKE</td>
<td>VA</td>
<td>24010</td>
<td>466488</td>
<td>HOMETOWN</td>
<td>HOMETOWN BANK</td>
<td>3357910</td>
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<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>5616206</td>
<td>ROANOKE</td>
<td>8521 FRANKLIN ROAD</td>
<td>ROANOKE</td>
<td>VA</td>
<td>24014</td>
<td>4658208</td>
<td>HOMETOWN</td>
<td>HOMETOWN BANK</td>
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<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>4727172</td>
<td>SALEM BRANCH</td>
<td>853 WEST MAIN STREET</td>
<td>SALEM</td>
<td>VA</td>
<td>24510</td>
<td>Not Required</td>
<td>Not Required</td>
<td>HOMETOWN BANK</td>
<td>3357910</td>
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<tr>
<td>(1)(a)</td>
<td>(1)(b)</td>
<td>(1)(c)</td>
<td>(2)(a)</td>
<td>(2)(b)</td>
<td>(2)(c)</td>
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</tr>
<tr>
<td>Name,</td>
<td>Country of Citizenship or Incorporation</td>
<td>Number and Percentage of Each Class of Voting Securities</td>
<td>Name,</td>
<td>Country of Citizenship or Incorporation</td>
<td>Number and Percentage of Each Class of Voting Securities</td>
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<tr>
<td>EJF Capital, LLC</td>
<td>USA</td>
<td>358,400</td>
<td>9.63%</td>
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<tr>
<td>Arlington, VA, USA</td>
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<tr>
<td>FJ Capital Management, LLC</td>
<td>USA</td>
<td>358,400</td>
<td>9.63%</td>
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<tr>
<td>McLean, VA, USA</td>
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</tr>
<tr>
<td>Wellington Management Company, LLP</td>
<td>USA</td>
<td>358,400</td>
<td>9.63%</td>
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<tr>
<td>Boston, MA, USA</td>
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</tr>
<tr>
<td>The Banc Funds Company, LLC</td>
<td>USA</td>
<td>171,618</td>
<td>5.10%</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Chicago, IL, USA</td>
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</tr>
</tbody>
</table>
## Report Item 4: Insiders

Form FR Y-6  
HomeTown Bankshares Corporation  
Fiscal Year Ending December 31, 2015

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

<table>
<thead>
<tr>
<th>Name, City, State, Country</th>
<th>Title &amp; Position with Other Businesses</th>
<th>(3)(a) Title &amp; Position with Bank Holding Company</th>
<th>(3)(b) Title &amp; Position with Subsidiaries</th>
<th>(4)(a) Percentage of Voting Shares in Bank Holding Company</th>
<th>(4)(b) Percentage of Voting Shares in Subsidiaries</th>
<th>(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)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nancy H. Agee, Roanoke, VA, USA</td>
<td>CEO Carilion Health System</td>
<td>Director</td>
<td>Director HomeTown Bank</td>
<td>0.57%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>George B. Cartledge, JR, Roanoke, VA, USA</td>
<td>CEO of Grand Home Furnishings</td>
<td>Director</td>
<td>Director HomeTown Bank</td>
<td>2.18%</td>
<td>N/A</td>
<td>N/A</td>
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<tr>
<td>Warner Dalhouse, Roanoke, VA, USA</td>
<td>Retired</td>
<td>Director</td>
<td>Director HomeTown Bank</td>
<td>1.06%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Marc S. Fink, Roanoke, VA, USA</td>
<td>CEO Fink's Inc.</td>
<td>Director</td>
<td>Director HomeTown Bank</td>
<td>1.53%</td>
<td>N/A</td>
<td>Fink's Inc. 72%</td>
</tr>
<tr>
<td>Daniel D. Hamrick, Roanoke, VA, USA</td>
<td>Attorney at Law, Daniel D. Hamrick, P.C.</td>
<td>Director</td>
<td>Director HomeTown Bank</td>
<td>0.73%</td>
<td>N/A</td>
<td>Daniel D. Hamrick, P.C. 100%</td>
</tr>
<tr>
<td>William R. Rakes, Roanoke, VA, USA</td>
<td>Partner of Gentry, Locke, Rakes, &amp; Moore Attorney</td>
<td>Chairman</td>
<td>Chairman HomeTown Bank</td>
<td>3.35%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Susan K. Still, Roanoke, VA, USA</td>
<td>N/A</td>
<td>President, CEO, &amp; Director</td>
<td>President, CEO, &amp; Director HomeTown Bank</td>
<td>1.75%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Name</td>
<td>City, State, Country</td>
<td>(1) Name, City, State, Country</td>
<td>City, State, Country</td>
<td>(2) and (3)(c) Occupation if other than with Bank Holding Company</td>
<td>(3)(a) Title &amp; Position with Subsidiaries (include names of other businesses)</td>
<td>(3)(b) Title &amp; Position with Bank Holding Company (include names of subsidiaries)</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>---------------------------</td>
<td>--------------------------------</td>
<td>---------------------------</td>
<td>---------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------</td>
</tr>
<tr>
<td>James M. Turner, Jr.</td>
<td>Roanoke, VA USA</td>
<td>Retired CEO JM Turner &amp; Co.</td>
<td>Director</td>
<td>Director HomeTown Bank</td>
<td>N/A</td>
<td>0.99%</td>
</tr>
<tr>
<td>Charles W. Maness, Jr.</td>
<td>Roanoke, VA USA</td>
<td>N/A</td>
<td>Chief Financial Officer</td>
<td>Chief Financial Officer HomeTown Bank</td>
<td>N/A</td>
<td>1.48%</td>
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</table>