

JUL 19 2017

FR Y-6
OMB Number 7100-0297
Approval expires September 30, 2018
Page 1 of 2

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)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). 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, top-tier savings and loan holding companies, and U.S. intermediate 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. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

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

December 31, 2016

Month / Day / Year

NO LEI

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

Reporter's Name, Street, and Mailing Address

I, JOHN R. MILLESON

Name of the Holding Company Director and Official

PRESIDENT AND CEO

Title of the Holding Company Director and Official

EAGLE FINANCIAL SERVICES, INC.

Legal Title of Holding Company

P.O. BOX 391

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

BERRYVILLE VA 22611

City State Zip Code

2 EAST MAIN STREET

Physical Location (if different from mailing address)

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.

Person to whom questions about this report should be directed:

KRISTIN E. FOLTZ AVP/CONTROLLER

Name Title

540-955-5221

Area Code / Phone Number / Extension

540-955-2521

Area Code / FAX Number

KFOLTZ@BANKOFCLARKE.COM

E-mail Address

N/A

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

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.

John R. Milleson

Signature of Holding Company Director and Official

03/29/2017

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 1951770
C.I.

Is confidential treatment requested for any portion of this report submission? 0=No 1=Yes 0
In accordance with the General Instructions for this report (check only one),
1. a letter justifying this request is being provided along with the report
2. a letter justifying this request has been provided separately
NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

ANNUAL REPORT OF HOLDING COMPANIES - FR Y-6

**EAGLE FINANCIAL SERVICES, INC.
Berryville, Virginia
Fiscal Year Ending December 31, 2016**

Report Item 1: Annual reports to shareholders

The holding company is registered with the Securities and Exchange Commission.

Report Item 2a: Organization Chart

Please find attached an organization chart for the Holding Company which includes the supplemental information required by this item.

Report Item 2b: Domestic Branch Listing

Please find attached a report of domestic branches.

Report Item 3: Shareholders

- a. The following shareholder(s) owned or controlled 5% or more of the Company's common stock outstanding at December 31, 2016:

<u>Name and Address</u>	<u>Country of Citizenship</u>	<u>Number of Common Shares</u>	<u>Percentage of Common Shares Outstanding</u>
James R. Wilkins, Jr. Winchester, Virginia	USA	272,931	7.87%

- b. No other shareholder(s) owned or controlled 5% or more of the Company's common stock outstanding during the fiscal year ended December 31, 2016.

Report Item 4: Insiders

Please find attached a section of the Company's definitive proxy statement which contains some of the required information for Report Item 4. Also, please find attached a listing containing insider ownership at December 31, 2016.

Report Item 2a: Organizational Chart

Eagle Financial Services, Inc.

Berryville, Virginia

Incorporated in Virginia

No LEI

100%
Ownership

Bank of Clarke County

Berryville, Virginia

Incorporated in Virginia

No LEI

Results: A list of branches for your depository institution: BANK OF CLARKE COUNTY (ID_RSSD: 753324). This depository institution is held by EAGLE FINANCIAL SERVICES, INC. (1951770) of BERRYVILLE, VA. The data are as of 12/31/2016. Data reflects information that was received and processed through 01/10/2017.

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
OK		Full Service (Head Office)	753324	BANK OF CLARKE COUNTY	2 EAST MAIN STREET	BERRYVILLE	VA
OK		Full Service	4864509	ONE LOUDOUN BRANCH	44810 SARANAC STREET	ASHBURN	VA
OK		Full Service	853121	BOYCE BRANCH	108 WEST MAIN STREET	BOYCE	VA
OK		Full Service	4897589	EAST MARKET STREET BRANCH	504 MARKET STREET EAST	LEESBURG	VA
OK		Full Service	4541088	PURCELLVILLE BRANCH	203 HIRST ROAD	PURCELLVILLE	VA
OK		Full Service	1436530	STEPHENS CITY OFFICE	382 FAIRFAX PIKE	STEPHENS CITY	VA
OK		Full Service	3439263	50 WEST BRANCH	110 CROCK WELLS MILL DRIVE	WINCHESTER	VA
OK		Full Service	3229512	MILLBROOK BRANCH	1879 BERRYVILLE PIKE	WINCHESTER	VA
OK		Full Service	2685410	OLD TOWN CENTER BRANCH	202 NORTH LOUDOUN STREET	WINCHESTER	VA
OK		Full Service	1991075	PLEASANT VALLEY ROAD BRANCH	2555 S PLEASANT VALLEY ROAD	WINCHESTER	VA
OK		Full Service	2354408	SENSENY ROAD BRANCH	1058 SENSENY ROAD	WINCHESTER	VA
OK		Full Service	3107731	SUNNYSIDE BRANCH	1460 NORTH FREDERICK PIKE	WINCHESTER	VA

ie **Effective Date** column.

inn.

Zip Code	County	Country	FCIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
22611	CLARKE	UNITED STATES	4135	0	BANK OF CLARKE COUNTY	753324	
20147	LOUDOUN	UNITED STATES	Not Required	Not Required	BANK OF CLARKE COUNTY	753324	
22620	CLARKE	UNITED STATES	208786	1	BANK OF CLARKE COUNTY	753324	
20176-4112	LOUDOUN	UNITED STATES	Not Required	Not Required	BANK OF CLARKE COUNTY	753324	
20132	LOUDOUN	UNITED STATES	540595	12	BANK OF CLARKE COUNTY	753324	
22655	FREDERICK	UNITED STATES	246930	4	BANK OF CLARKE COUNTY	753324	
22603	FREDERICK	UNITED STATES	452576	10	BANK OF CLARKE COUNTY	753324	
22603	FREDERICK	UNITED STATES	430450	9	BANK OF CLARKE COUNTY	753324	
22601	WINCHESTER CITY	UNITED STATES	208789	5	BANK OF CLARKE COUNTY	753324	
22601	WINCHESTER CITY	UNITED STATES	208787	2	BANK OF CLARKE COUNTY	753324	
22602	FREDERICK	UNITED STATES	208788	3	BANK OF CLARKE COUNTY	753324	
22603	FREDERICK	UNITED STATES	363491	7	BANK OF CLARKE COUNTY	753324	

PROPOSAL ONE - ELECTION OF DIRECTORS

The Board of Directors of the Company is structured into three classes (I, II, and III) with one class elected each year to serve a three-year term. The term of Class I Directors will expire at the Annual Meeting. The persons named below, all of whom are currently members of the Board, will be nominated to serve as Class II Directors. If elected, the Class II nominees will serve until the 2020 Annual Meeting of Shareholders. All nominees have consented to be named and have indicated their intent to serve if elected. Those nominees receiving the greatest number of votes shall be deemed elected even though they may not receive a majority. Abstentions and broker non-votes will not be considered a vote for, or a vote against, a Director and will have no effect on the outcome of this proposal.

Certain information concerning the nominees for election at the Annual Meeting as Class II Directors is set forth below, as well as certain information about the Class I and III Directors, who will continue in office until the 2018 and 2019 Annual Meetings of Shareholders, respectively. The following biographical information discloses each Director's age, principal occupation during the last five years and the year that each individual was first elected to the Board of Directors of the Company or previously to the Board of Directors of Bank of Clarke County (the "Bank"), the predecessor to and now a wholly owned subsidiary of the Company. In addition, the following information includes the particular experiences, qualifications, attributes and skills that lead the Board to conclude that each person should serve as a Director.

The Board of Directors recommends a vote FOR the Directors nominated to serve as Class II Directors.

Class II (Nominees to be elected to serve until the 2020 Annual Meeting):

Thomas T. Byrd, 71, has been a Director since 1995.

Mr. Byrd is the President and Publisher of both the Winchester Evening Star, Inc., a newspaper publishing company headquartered in Winchester, Virginia and Rockingham Publishing Company, a publishing company located in Harrisonburg, Virginia. Additionally, Mr. Byrd is the Chairman of the Board and sole stockholder of Page-Shenandoah Newspaper Corporation, Inc., a publishing company in Winchester, Virginia as well as a director of Winchester Cold Storage in Winchester, Virginia and a member of the Rotary Club of Winchester. Through his experiences, Mr. Byrd has developed relevant financial, accounting and compliance knowledge.

Douglas C. Rinker, 57, has been a Director since 2006.

Mr. Rinker is the Chairman of the Board and President of Winchester Equipment Company, an equipment sales, rental and service company in headquartered in Winchester, Virginia. Additionally, Mr. Rinker currently serves on the Frederick County Economic Development Authority. As the chief executive officer of a successful company, Mr. Rinker provides the Board with valuable insight and guidance on the issues of corporate strategy, business community growth and risk management. Additionally, Mr. Rinker has demonstrated his commitment to the community by assisting several community and civic organizations.

Robert E. Sevila, 73, has been a Director since December 2012.

Mr. Sevila is a principal with Sevila, Saunders, Huddleston and White, P.C. in Leesburg, VA. Mr. Sevila joined the firm in 1974 and his practice emphasizes land use and administrative and municipal law, civil litigation, real estate and commercial law. Mr. Sevila is a member and past Chairman of the Loudoun County Chamber of Commerce and Loudoun County CEO Cabinet, past President of the Board of the Bluemont Concert Series and a former member of the MBA faculty at Shenandoah University where he taught Business Law. Having served in local government elected positions, his knowledge of the Loudoun County market is valuable for the Company's future growth opportunities.

John D. Stokely, Jr., 64, has been a Director since 2006.

Mr. Stokely is the President and owner of Cavalier Land Development Corp., a real estate development company in Oakton, Virginia and is a former President of the Northern Virginia Building Industry Association and the Home Builders Association of Virginia. Mr. Stokely is also a former Chairman and a current Trustee of Shenandoah University as well as a Trustee of the University of Virginia School of Engineering and Applied Science. His broad experience and perspective as an entrepreneur brings to the Board a substantial resource with respect to finance, strategic planning and corporate governance.

Class II (Incumbent directors to serve until the 2019 Annual Meeting):

Thomas T. Gilpin, 64, has been a Director since 1986.

Mr. Gilpin is the Chairman of the Board of both the Company and the Bank. He is the President of Lenoir City Company, a real estate investment company in Winchester, Virginia. He is also President of Clarco Corporation, which operates as Northside Lanes, a bowling center in Winchester, Virginia. He is also a Board member for Valley Health System. Mr. Gilpin's broad experience provides the Company leadership and consensus-building skills to guide the Board through critical discussions regarding its current challenges and future strategic initiatives.

Eagle Financial Services, Inc.
Aggregate Market Value of Stock Held by Non-Affiliates
December 31, 2016

Name	Number of Shares	Percent of Class
Thomas T. Byrd	60,519	1.75%
Kathleen J. Chappell	3,885	0.11%
Thomas T. Gilpin	143,856	4.15%
Mary Bruce Glaize	8,480	0.24%
Scott M. Hamberger	805	0.02%
James W. McCarty, Jr.	39,512	1.14%
John R. Milleson	100,683	2.90%
Douglas C. Rinker	9,281	0.27%
Robert E. Sevilla	2,195	0.06%
Robert W. Smalley, Jr.	15,793	0.46%
John D. Stokely, Jr.	11,589	0.33%
Randall G. Vinson	44,004	1.27%
James R. Wilkins, Jr.	272,931	7.87%
	<u>713,533</u>	<u>20.58%</u>

Report Item 4: Insiders

- Additional Information: (1) Names and Addresses
 (2) Title/Position with Holding Company
 (3) Ownership in any Company Subsidiaries
 (4) Ownership of 25% or more in any other entities
 (5) Position with any other company as director, trustee, partner, or executive officer

Name	Address	Title/Position with Holding Company	Ownership of Company Subsidiaries	Reportable Entities		Reportable Ownership Percentage
				Entity	Position	
Thomas T. Byrd	Berryville, Virginia	Director(1)	None	Page-Shenandoah Newspaper Corporation, Inc. Rockingham Publishing Company, Inc. Winchester Evening Star, Inc. HTB Investments LLC	President/Chairman President/CEO/Chairman President/CEO/Chairman Sole Member	100% 41% 33% 100%
Kathleen J. Chappell	Winchester, Virginia	Vice President/Chief Financial Officer	None	None	Partner	N/A
Thomas T. Gilpin	Boyce, Virginia	Director(1)	None	Mountaineer Properties II, LLC Valley Health Systems Board of Trustees	Trustee	50% N/A
Mary Bruce Gleize	Winchester, Virginia	Director(1)	None	Shenandoah University Board of Trustees	Trustee	N/A
Scott M. Hamberger	Ashburn, Virginia	Director(1)	None	Familias, LLC Integrus Holdings, Inc. Fortessa Tableware Solutions, LLC Sterling Restaurant Supply, LLC Fortessa Tableware Solutions Canada, Inc. Eschenbach USA, Inc. Dominion Tableware, LLC Fortessa (Asia) LTD RRP LLC GCC Operations, FZE Rental Resource Partners LLC Dominion Solutions, LLC	Vice President/Secretary President/Secretary/CEO President/Secretary/CEO President/CEO Director President/Secretary CEO Director President/CEO Manager Manager Manager	48% 25% 25% 25% 25% 25% 25% 25% 25% 25% 25% 25%
James W. McCarty, Jr.	Winchester, Virginia	Vice President/Secretary/Treasurer	None	None	None	N/A
John R. Millison	Berryville, Virginia	President/Chief Executive Officer	None	None	None	N/A
Douglas C. Rinker	Winchester, Virginia	Director(1)	None	K.D. LLC Winchester Equipment Company, Inc.	Member Chairman/President/Director	50% N/A
Robert E. Sevilla	Leesburg, Virginia	Director(1)	None	Sevita Saunders Huddleston & White	President/Director	27%
Robert W. Smalley, Jr.	Berryville, Virginia	Director(1)	None	Cabin Properties, Inc. Smalley Properties, LLC Loudoun Mutual Insurance Company	Partner Member Vice Chairman/Director	25% 25% N/A
John D. Stokely, Jr.	Oakton, Virginia	Director(1)	None	Cavalier Land Development Corporation Great Oak Center, LLC Jimi Thang, LLC Home Builders Association of Virginia National Association of Home Builders Shenandoah University Board of Trustees University of Virginia School of Engineering and Applied Science	President Manager Manager Director Director Vice Chairman/Trustee Trustee	100% 75% 40% N/A N/A N/A N/A
Randall G. Vinson	Berryville, Virginia	Director(1)	None	None	None	N/A
James R. Wilkins, Jr.	Winchester, Virginia	Director(1)	None	JRW Properties and Rentals, Inc. Round Hill Crossing, LLC Silver Lake Properties, Inc. Silver Lake LLC Wilkins Enterprises LP Wilkins Shoe Center Profit Sharing Plan Wilkins Investments LP Winchester Equipment Company, Inc. Winchester Frederick County Law Enforcement Foundation Shenandoah University Board of Trustees	Vice President Stockholder Vice President Vice President Limited Partner Trustee Partner Director Director Trustee	40% 25% 50% 25% 48% N/A N/A N/A N/A N/A

(1) Director of Eagle Financial Services, Inc. (Holding Company) and Bank of Clarke County (Subsidiary Bank).