

Board of Governors of the Federal Reserve System



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, Charles Wagner

Name of the Holding Company Director and Official
President

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.

Charles L. Wagner Jr.

Signature of Holding Company Director and Official
03/31/2017

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 _____
C.I. _____

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

December 31, 2016

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

Coastal Banking Company

Legal Title of Holding Company

1891 S 14th Street

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

Fernandina Beach FL 32034

City State Zip Code

36 Sea Island Parkway Beaufort SC 29907

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Thomas Fluornoy EVP/CFO

Name Title

904-321-2917

Area Code / Phone Number / Extension

904-321-5687

Area Code / FAX Number

tom.fluornoy@cbcnationalbank.com

E-mail Address

www.coastalbanking.com

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

For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

Legal Title of Subsidiary Holding Company	Legal Title of Subsidiary Holding Company
(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box	(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box
City State Zip Code	City State Zip Code
Physical Location (if different from mailing address)	Physical Location (if different from mailing address)
Legal Title of Subsidiary Holding Company	Legal Title of Subsidiary Holding Company
(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box	(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box
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City State Zip Code	City State Zip Code
Physical Location (if different from mailing address)	Physical Location (if different from mailing address)

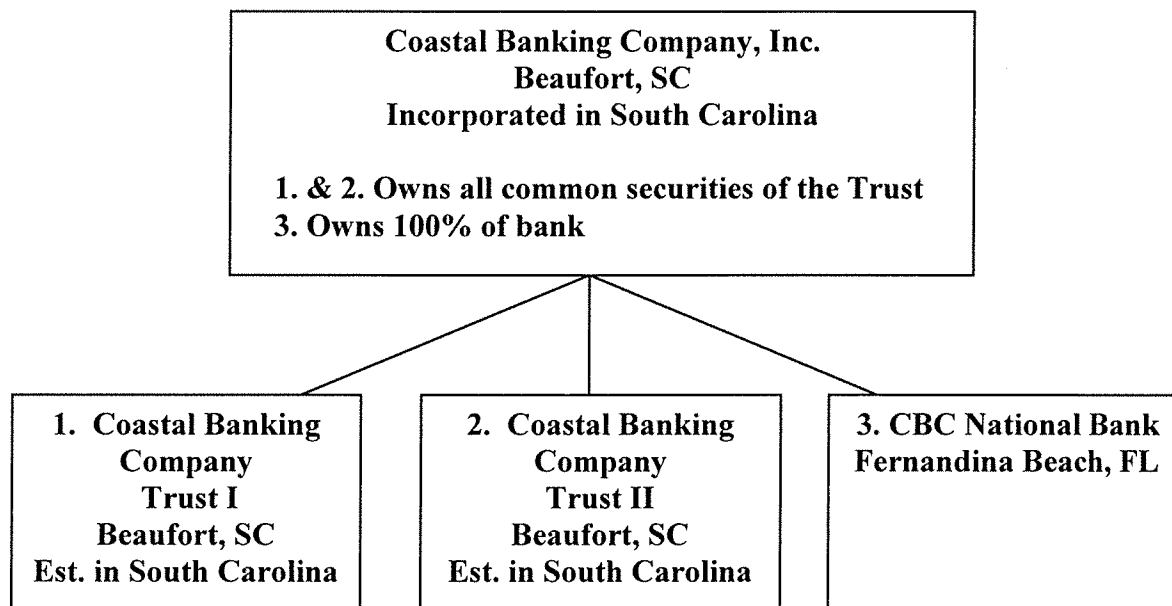
Form FRY-6

**Coastal Banking Company, Inc.
Beaufort, South Carolina
Fiscal Year Ending December 31, 2016**

Report Item

- 1: Three copies of the annual report to shareholders will be forwarded to you separately upon completion.

2a: Organization Chart



Note: No companies have the LEI number.

2b: Submitted electronically on March 31, 2017.

- 3: (1) There were no shareholders with ownership, control or holding of 5% or more with power to vote as of fiscal year ending 12/31/2016: (2) There were no shareholders with ownership, control or holding of 5% or more with power to vote during the year ending 12/31/2016

4: Insiders

Results: A list of branches for your holding company: COASTAL BANKING COMPANY, INC. (2855905) of BEAUFORT, SC.
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	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	2855914	CBC NATIONAL BANK	1891 SOUTH 14TH STREET	FERNANDINA BEACH	FL	32034	NASSAU	UNITED STATES	77699	0	CBC NATIONAL BANK	2855914	
OK		Full Service	3503696	OCALA MAIN OFFICE	910 SW 1ST AVENUE	OCALA	FL	34471	MARION	UNITED STATES	Not Required	Not Required	CBC NATIONAL BANK	2855914	
OK		Full Service	4353012	WEST HIGHWAY 40 BRANCH	5860 WEST HIGHWAY 40	OCALA	FL	34482	MARION	UNITED STATES	Not Required	Not Required	CBC NATIONAL BANK	2855914	
OK		Full Service	4776929	PINELLAS BRANCH	2505 BURNSD BLVD	THE VILLAGES	FL	32163	SUMTER	UNITED STATES	Not Required	Not Required	CBC NATIONAL BANK	2855914	
OK		Full Service	3810059	LADY'S ISLAND BRANCH	36 SEA ISLAND PARKWAY	LADYS ISLAND	SC	29907	BEAUFORT	UNITED STATES	481046	6	CBC NATIONAL BANK	2855914	
OK		Full Service	3591929	PORT ROYAL BRANCH	1700 RIBAUT ROAD	PORT ROYAL	SC	29935	BEAUFORT	UNITED STATES	462451	3	CBC NATIONAL BANK	2855914	

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Coastal Banking Company, Inc.
Fiscal Year Ending December 31, 2016

Report Item 4: Insiders
(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

(1)(a) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Holding Company	(3)(a) Title & Position with Holding Company	(3)(b) Title & Position with Subsidiaries	(3)(c) Title & Position with Other Businesses	(4)(a) Percentage of Voting Shares in Holding Company (includes options vested but not exercised)	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List names of other companies if 25% or more of voting securities are held
John Q. Adams Ocala, FL USA	Accounting	Director	Director CBC National Bank	Manging Member JPP, LLC Vice President/Treasurer JOPA 484, Inc. President Adams & Company, PA	0.89%	none	JPP, LLC 100% JOPA 484, Inc. 50% Adams & Company, PA 100%
Kenneth C. Ausley Ocala, FL USA	Construction	Director	Director CBC National Bank	Project Manager ACA Construction Group, LLC	0.83%	none	none
Christina H. Bryan Fernandina Beach, FL USA	Petroleum Distribution Consultant	Director	Director CBC National Bank	Owner & Director Hall Investments	1.21%	none	Hall Investments 33.33%
Suellen Rodeffer Garner Fernandina Beach, FL USA	Orthodontist	Director	Director CBC National Bank	Director Rodeffer, Garner & Minor Orthodontics, L.C. Director & Secretary Garner Partners, Inc. Director Rodeffer & Garner Orthodontics, P.A. Director D. Tod Garner Family, LLC J Twenty-nine Eleven, LLC	1.92%	none	Rodeffer, Garner & Minor Orthodontics, L.C. 16.70% Garner Partners, Inc. 50% Rodeffer & Garner Orthodontics, P.A. 50% D. Tod Garner Family, LLC. 27% J Twenty-nine Eleven, LLC 25%
Mark B. Heles Beaufort, SC USA	Real Estate & Human Resources	Director	Director CBC National Bank	President H & H Quality Properties, LLC President Affordable Home Rentals, Inc. President Sea Island Rentals, Inc. President White Squirrel Properties, LLC	1.01%	none	H & H Quality Properties, LLC, 50.5% Affordable Home Rentals, Inc., 100% Sea Island Rentals, Inc., 51% White Squirrel Properties, LLC 100%
James W. Holden, Jr., DVM Beaufort, SC USA	Veterinarian	Director & Secretary	Director CBC National Bank	Owner & Director Veterinary Wellness Care, LLC VP/Treasurer H and H Quality Properties, LLC Owner & Director James W. Holden & Co, LLC Owner & Director Hazard Creek, LLC Owner & Director Island Pines, LLC	0.65%	none	Veterinary Wellness Care, LLC 100% H & H Quality Properties, LLC 49.5% James W. Holden & Company, LLC 100% Hazard Creek, LLC 100% Island Pines, LLC 100%
Ladson F. Howell Beaufort, SC USA	Retired Attorney	Director & Vice- Chairman	Director CBC National Bank	None	0.43%	none	none
James C. Key Beaufort, SC USA	Consultant	Director	Director CBC National Bank	Managing Partner Shenandoah Group, LLP	0.40%	none	Shenandoah Group LLP 100%
Robert B. Pinkerton Beaufort, SC USA	Manufacturing	Director	Director CBC National Bank	President Athena Corporation Treasurer Village Renaissance, Inc. Managing Member Pinkerton Management Group	0.71%	none	Athena Corporation 50% Village Renaissance, Inc. 25% Pinkerton Management Group 50%

Form FR Y-6
Coastal Banking Company, Inc.
Fiscal Year Ending December 31, 2016

Report Item 4: Insiders

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

(1)(a) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Holding Company	(3)(a) Title & Position with Holding Company	(3)(b) Title & Position with Subsidiaries	(3)(c) Title & Position with Other Businesses	(4)(a) Percentage of Voting Shares in Holding Company (includes options vested but not exercised)	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List names of other companies if 25% or more of voting securities are held
				Managing Partner Pinkerton Investments			Pinkerton Investments 100%
				Trustee Pinkerton Irrevocable Family Trust			Pinkerton Irrevocable Family Trust 100%
Michael G. Sanchez Fernandina Beach, FL USA	N/A	Chairman & President/CEO	Chairman & CEO CBC National Bank	None	1.55%	none	none
Charles K. Wagner Alpharetta, GA USA	N/A	Director	President CBC National Bank	Owner Zonia Holdings, Inc. Member CK Luxury Rentals, LLC Member WLG Luxury Rentals, LLC	1.23%	none	Zonia Holdings, Inc. 100% CK Luxury Rentals, LLC 50%
Edward E. Wilson Fernandina Beach, FL USA	Insurance Agent	Director	Director CBC National Bank	Owner & President Morrow Insurance Group, Inc. of Fernandina Beach President Primeco Insurance Agency, Inc. President Amelia HR Solutions	1.39%	none	Morrow Insurance Group, Inc of Fernandina Beach 100% Primeco Insurance Agency, Inc. 50% Amelia HR Solutions 100%
Marshall E. Wood Fernandina Beach, FL USA	Attorney	Director	Director CBC National Bank	Managing General Partner Santa Maria Partnership	0.97%	none	Santa Maria Partnership 30%
W. Durand Childers Fernandina Beach, FL USA	N/A	N/A	Executive Vice President CBC National Bank	Vice President & Treasurer CFI, Inc.	0.24%	none	CFI, Inc. 50%
Thomas J. Flournoy Fernandina Beach, FL USA	N/A	CFO	Executive Vice President/CFO CBC National Bank	None	0.00%	none	none
Brynn Stensrud Alpharetta, GA USA	N/A	N/A	Executive Vice President CBC National Bank	None	0.36%	none	none

NOTE: We were advised by counsel that Childers and Stensrud meet the SEC definition of affiliates of Coastal Banking Company, Inc. based on their influence over strategic decisions within both the bank and holding company, so we have always considered them as insiders of both entities. You are correct that neither of them are employees or officers of the holding company, Coastal Banking Company, Inc., however both are actively involved in management of both entities.

	Director (D), Executive Officer (EO), Principal Shareholder (S)	Name of Company	City, State	Position Held	Ownership %	Date of last update
	John Q Adams (D)	JPP LLC	Ocala, FL	Managing Member	100.0%	2/14/2017
		JOPA 484, Inc.	Ocala, FL	Vice President/Treasurer	50.0%	
		Adams & Company, PA	Ocala, FL	President	100.0%	
	Kenneth C Ausley (D)	ACA Construction Grp, LLC	Ocala, FL	Project Manager	20.0%	2/13/2017
1	Christina H. Bryan (D)	Hall Investments	Fernandina Beach, FL	Owner and Director	33.33%	2/11/2017
	Suellen Rodeffer Garner (D)	Rodeffer, Garner and Minor Orthodontics, L.C.	Fernandina Beach, FL	Director	16.70%	2/23/2017
		Rodeffer and Garner Orthodontics, P.A.	Jacksonville, FL	Director	50.0%	
		D. Tod Garner Family, LLC	Fernandina Beach, FL	Director	27.0%	
		J Twenty-nine Eleven, LLC	Fernandina Beach, FL	Director	25.0%	
2		Garner Partners, Inc	Fernandina Beach, FL	Director/Sec.	27.0%	
	Mark B. Heles (D)	White Squirrel Properties, LLC	Beaufort, SC	President	100.0%	2/23/2017
		Sea Island Rentals	Beaufort, SC	President	51.0%	
		Affordable Home Rentals	Beaufort, SC	President	100.0%	
3		H and H Quality Properties, LLC	Beaufort, SC	President	50.5%	
	James W. Holden Jr. (D)	Coastal Banking Co. Inc.	Beaufort, SC	Director	<1%	2/6/2017
		Hazzard Creek, LLC	Beaufort, SC	Owner and Director	100%	
		H and H Quality Properties, LLC	Beaufort, SC	VP/Treasurer	49.50%	
		Island Pines, LLC	Beaufort, SC	Owner and Director	100%	
		Veterinary Wellness Care, LLC	Beaufort, SC	Owner and Director	100%	
4		James W. Holden and Co., LLC	Beaufort, SC	Owner and Director	100%	
5	Ladson F. Howell (D)	None				2/2/2017
6	James C. Key (D)	Shenandoah Group, LLP	Beaufort, SC	Managing Partner	100%	2/1/2017
	Robert B. Pinkerton (D)	Athena Corporation	Beaufort, SC	President	38%	2/13/2017
		Village Renaissance, Inc	Beaufort, SC	Manager & Treasurer	25%	
		Pinkerton Investments, LP	Beaufort, SC	Managing Partner	100%	
		Pinkerton Management, LLC	Beaufort, SC	Managing Member	50%	
		Diocese of the Episcopal Church	Beaufort, SC	Trustee	13%	
		St. Marks Episcopal Church	Charleston, SC	Treasurer	11%	
7		Pinkerton Irrevocable Family Trust	Beaufort, SC	Trustee	100%	
8	Michael Sanchez (D, EO)	Coastal Banking Co. Inc.	Beaufort, SC	CEO	1.55%	2/1/2017
	Edward E. Wilson (D)	Morrow Insurance Group, Inc of Fernandina Beach	Fernandina Beach, FL	Owner-President	100%	2/1/2017
		Primeco Insurance Agency, Inc.	Marietta, GA	President	50%	
9		Amelia HR Solutions	Fernandina Beach, FL	President	100%	
10	Marshall E. Wood (D)	Santa Maria Partnership	Fernandina Beach, FL	Managing General Partner	30%	2/1/2017
Executive Officers						
12	Thomas J Flournoy	None				2/2/2017
13	Charles A Wagner (EO)	WLG Luxury Rentals, LLC	Cumming, GA	Member	16.67%	2/14/2017
14	W. Durand Childers (EO)	CFI, Inc.	Cordele, GA	Vice President/Treasurer	50%	2/7/2017
15	O. Mitchell Smith (EO)	DI, LLC	Albany, GA	Member	25%	2/6/2017
16	Brynn Stensrud (EO)	None				2/1/2017