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 6(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 806 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850(c)(1), and 5468(b)(1)). 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. 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.

Cathy D. Shetton
Name of the Holding Company Director and Official

Corporate Secretary/Appalachian Financial Corporation
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

Date of Signature

For holding companies not registered with the SEC—
Indicate status of Annual Report to Shareholders:
☑ Yes
☑ No
☐ Will be sent under separate cover
☐ Not prepared

For Federal Reserve Bank Use Only

RSSD ID
C.I.

This report form is to be filled 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.

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2016

Month / Day / Year
N/A

Reporters Legal Entity Identifier (LEI) (20-Character LEI Code)

Appalachian Financial Corporation
Legal Title of Holding Company

27 Pike Street
(Mailing Address of the Holding Company) Street / P.O. Box
Phipps WV
City State Zip Code

Physical Location (if different from mailing address)
named

Person to whom questions about this report should be directed:
Danielle H. Dunn

Name
SVP/CFO
Title

Area Code / Phone Number / Extension
304-457-0122

Area Code / FAX Number
304-457-3410

E-mail Address
dunn@bcbankinc.com

Address (URL) for the Holding Company’s web page
N/A

Is confidential treatment requested for any portion of this report submission?
0 = No
1 = Yes

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.”
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:

<table>
<thead>
<tr>
<th>Legal Title of Subsidiary Holding Company</th>
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Report Item 1: Annual Report to Shareholders

The bank holding company prepares an annual report for its shareholders, and is not registered with the SEC. This annual report is completed and included for the year ended December 31, 2016.

Report Item 2a: Organizational Chart

![Organizational Chart]

Appalachian Financial Corporation
27 Pike St, Philippi, WV 26416
Incorporated in West Virginia
No LEI

Owns 100% of

BCBank, Inc.
27 Pike St, Philippi, WV 26416
Incorporated in West Virginia
No LEI
Report Item 2b: Domestic Branch Listing

BCBank, Inc.
Domestic Branch Listing

<table>
<thead>
<tr>
<th>Branch</th>
<th>Date Opened</th>
<th>Address</th>
<th>Town, State, Zip</th>
<th>County</th>
<th>Country</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippi Office</td>
<td>June 27, 1970</td>
<td>27 Pike Street</td>
<td>Philippi, WV 26416</td>
<td>Barbour</td>
<td>USA</td>
<td>Full</td>
</tr>
<tr>
<td>(Main Office)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nutter Fort Office</td>
<td>September 8, 2003</td>
<td>1105 Buckhannon Pike</td>
<td>Nutter Fort, WV 26301</td>
<td>Harrison</td>
<td>USA</td>
<td>Full</td>
</tr>
<tr>
<td>Fairmont Office</td>
<td>August 6, 2007</td>
<td>936 East Park Ave</td>
<td>Fairmont, WV 26554</td>
<td>Marion</td>
<td>USA</td>
<td>Full</td>
</tr>
</tbody>
</table>

See next page for Structure List from FRB website.
Results: A list of branches for your depository institution.

This depository institution is held by [Institution Name] (FDIC IC#: [FDIC IC#]).

The data are as of [Date]. Data reflects information that was received and processed through [Date].

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 to 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.

<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>County</th>
<th>Country</th>
<th>FDIC UNINUM*</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 (Head Office)</td>
<td>829032</td>
<td>[BANK, INC.</td>
<td>27 PIKE STREET</td>
<td>PHILIPPI</td>
<td>WV</td>
<td>26416</td>
<td>BARBOUR</td>
<td>UNITED STATES</td>
<td>13597</td>
<td>0</td>
<td>BCBANK, INC.</td>
<td>829032</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>$543935 NUTTER FONT BRANCH</td>
<td>1105 BUCKHANNON PRE</td>
<td>CLARKSBURG</td>
<td>WV</td>
<td>26301</td>
<td>HARRISON</td>
<td>UNITED STATES</td>
<td>410930</td>
<td>1</td>
<td>BCBANK, INC.</td>
<td>829032</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>5624993 FAIRMONT BRANCH</td>
<td>516 EAST PARK AVENUE</td>
<td>FAIRMONT</td>
<td>WV</td>
<td>26304</td>
<td>MARION</td>
<td>UNITED STATES</td>
<td>467462</td>
<td>2</td>
<td>BCBANK, INC.</td>
<td>829032</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Report Item #3.1: Securities Holders

**BCBank, Inc.**
5% shareholders

<table>
<thead>
<tr>
<th>Name</th>
<th>City</th>
<th>State</th>
<th>Citizenship</th>
<th>Shares Owned</th>
<th>% Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>David B. Wolfe</td>
<td>Philippi</td>
<td>WV</td>
<td>US Citizen</td>
<td>50,874 Shares</td>
<td>16.195% Common Stock</td>
</tr>
<tr>
<td>Craig G. Philips</td>
<td>Belington</td>
<td>WV</td>
<td>US Citizen</td>
<td>29,177 Shares</td>
<td>9.287% Common Stock</td>
</tr>
</tbody>
</table>

## Report Item #3.2: Securities Holders

N/A
Report Item 4: Insiders

William E Gregory
Belington, WV USA

2. Regional Manager, Ogden Directories, Inc.
3a. Director, Appalachian Financial Corporation
3b. Director, BCBank, Inc.
3c. Regional Manager, Ogden Directories, Inc., Member/Partner Victory Marketing, LLC
4a. 12 shares- 0.003%
4b. N/A
4c. 50% of Victory Marketing, LLC

Melody S Jones
Belington, WV USA

2. Owner, Melody Jones CPA
3a. Chairperson, Appalachian Financial Corporation
3b. Chairperson, BCBank, Inc.
3c. Owner, Melody Jones, CPA
4a. 1,200 shares- 0.38%
4b. N/A
4c. 100% of Melody Jones, CPA

Kevin Lyons
Philippi, WV USA

2. President, Lil’ Bucks, Inc.
3a. Director, Appalachian Financial Corporation
3b. Director, BCBank, Inc.
3c. President, Lil’ Bucks, Inc.
4a. 9,231 shares- 2.94%
4b. N/A
4c. 100% of Lil’ Bucks, Inc.
Cathy D Shelton
Belington, WV USA
2. Vice President and Corporate Secretary, BCBank, Inc.
3a. Director, Vice President and Corporate Secretary, Appalachian Financial Corporation
3b. Director, Vice President and Corporate Secretary, BCBank, Inc.
3c. N/A
4a. 210 shares – 0.07%
4b. N/A
4c. N/A

Brian P Talbott
Belington, WV USA
2. Owner, Talbott Personal Care Home; Owner, Talbott Lumber
3a. Director, Appalachian Financial Corporation
3b. Director, BCBank, Inc.
3c. President, Talbott Personal Care Home; President, Talbott Lumber Co.
4a. 70 Shares - 0.02%
4b. N/A
4c. 100% of Talbott Personal Care Home, 100% Talbott Lumber Co

Brian A Weingart
Philippi, WV USA
2. Senior Director of Financial Aid, WV higher Education Policy Commission
3a. Director, Appalachian Financial Corporation
3b. Director, BCBank, Inc.
3c. Senior Director of Financial Aid, WV higher Education Policy Commission
4a. 12 shares - 0.003%
4b. N/A
4c. N/A
David B Wolfe  
Philippi, WV USA  
2. Vice Chairman, BCBank, Inc.  
3a. Vice Chairman, Appalachian Financial Corporation  
3b. Vice Chairman, BCBank, Inc.  
3c. President, Philippi Martial Arts Academy, Inc.  
4a. 50,874 Shares- 16.195%  
4b. N/A  
4c. 100% of Philippi Martial Arts Academy  

James Powell  
Buckhannon, WV USA  
2. President and Agent, Loudin Insurance Agency  
3a. Director, Appalachian Financial Corporation  
3b. Director, BCBank, Inc.  
3c. President and Agent, Loudin Insurance Agency  
4a. 25 Shares - 0.01%  
4b. N/A  
4c. N/A  

Jeffery L Yoho  
Clarksburg, WV USA  
2. Senior Vice President and Chief Credit Officer, BCBank, Inc.  
3a. Senior Vice President and Chief Credit Officer, Appalachian Financial Corporation  
3b. Senior Vice President and Chief Credit Officer, BCBank, Inc.  
3c. Member/Partner, Thunder Bay Holdings, LLC  
4a. N/A  
4b. N/A  
4c. 100% of Thunder Bay Holdings, LLC
Ryan P. Curry  
Manington, WV USA  

2. President/ Chief Executive Officer, BCBank, Inc.

3a. President, Chief Executive Officer, Appalachian Financial Corporation

3b. President/ Chief Executive Officer, BCBank, Inc.

3c. N/A

4a. N/A

4b. N/A

4c. N/A