

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)); 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.

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.

I, Scott C. Harvard

Name of the Holding Company Director and Official

President, CEO, & 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

3/31/2017

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.

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.

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

December 31, 2016

Month / Day / Year

549300TDCMDRFUMP0106

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

Reporter's Name, Street, and Mailing Address

First National Corporation

Legal Title of Holding Company

112 West King Street

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

Strasburg

VA

22657

City

State

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Justin M. Hockman

VP-Controller

Name

Title

540.465.9121 x-2082

Area Code / Phone Number / Extension

540.665.9847

Area Code / FAX Number

jhockman@fbvirginia.com

E-mail Address

www.fbvirginia.com

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

Is confidential treatment requested for any portion
of this report submission?

0=No

1=Yes

D

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 ☐

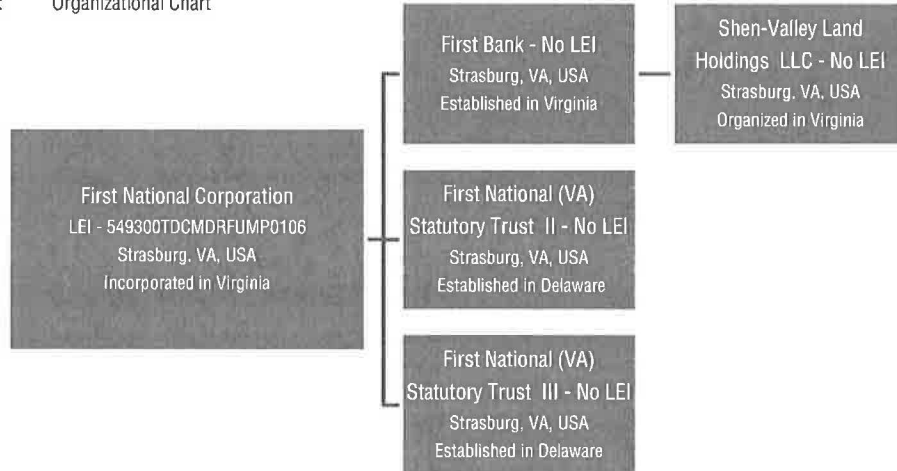
NOTE: Information for which confidential treatment is being
requested must be provided separately and labeled
as "confidential."

Form FR Y-6
First National Corporation
Strasburg, Virginia
Fiscal Year Ending December 31, 2016

Report Item

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

2a: Organizational Chart



Note: First National Corporation holds 100% of all subordinate entities and is the managing member for Shen-Valley Land Holdings LLC.

2b: Email Submission Completed February 28, 2017.

3: Securities holders

Current securities holders with ownership, control, or holdings of 5% or more with power to vote as of fiscal year ending 12/31/2016

(1)(a) Name, City, State, Country	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities
James R. Wilkins III, Winchester, VA, USA	United States of America	636,726 – 12.92% * Common Stock
Scott C. Harvard, Winchester, VA, USA	United States of America	276,880 – 5.62% * Common Stock
Elizabeth H. Cottrell, Maurertown, VA, USA	United States of America	258,584 – 5.25% * Common Stock

* Includes 5.02% held in the First National Corporation Employee Stock Ownership Plan and Trust. Messrs. Harvard and Wilkins, and Mrs. Cottrell serve as Trustees of the ESOP and have voting powers with respect to such shares.

Securities holders not listed in 3(1)(a) through 3(1)(c) that had ownership, control, or holdings of 5% or more with power to vote during fiscal year ending 12/31/2016

(2)(a) Name, City, State, Country	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
The Banc Funds Company, LLC, Chicago, IL, USA	United States of America	237,418 – 4.82% Common Stock

Results: A list of branches for your depository institution: FIRST BANK (ID_RSSD: 899428).
This depository institution is held by FIRST NATIONAL CORPORATION (1076123) of STRASBURG, 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	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	899428	FIRST BANK	112 WEST KING STREET	STRASBURG	VA	22657	SHENANDOAH	UNITED STATES	4648	0	FIRST BANK	899428	
OK		Full Service	1002225	DILLWYN BRANCH	3474 ROSNEY ROAD	DILLWYN	VA	23936	BUCKINGHAM	UNITED STATES	Not Required	Not Required	FIRST BANK	899428	
OK		Full Service	853822	ELKTON OFFICE	301 WEST SPOTSWOOD TRAIL	ELKTON	VA	22827	ROCKINGHAM	UNITED STATES	Not Required	Not Required	FIRST BANK	899428	
OK		Full Service	918628	LONGWOOD OFFICE	201 SOUTH MAIN STREET	FARMVILLE	VA	23901	PRINCE EDWARD	UNITED STATES	Not Required	Not Required	FIRST BANK	899428	
OK		Full Service	3121429	FRONT ROYAL BRANCH	1717 NORTH SHENANDOAH AVENUE	FRONT ROYAL	VA	22630	WARREN	UNITED STATES	364761	7	FIRST BANK	899428	
OK		Limited Service	837224	FRONT ROYAL EXPRESS BRANCH	508 NORTH COMMERCE AVE	FRONT ROYAL	VA	22630	WARREN	UNITED STATES	212978	1	FIRST BANK	899428	
OK		Full Service	3260588	MOUNT JACKSON BRANCH	5304 MAIN STREET	MOUNT JACKSON	VA	22842	SHENANDOAH	UNITED STATES	429971	8	FIRST BANK	899428	
OK		Full Service	328526	STAUNTON AUGUSTA BRANCH	1 W FREDERICK ST	STAUNTON	VA	24401	STAUNTON CITY	UNITED STATES	Not Required	Not Required	FIRST BANK	899428	
OK		Full Service	3482317	SHERANDO BRANCH	695 FAIRFAX PIKE	STEPHENS CITY	VA	22655	FREDERICK	UNITED STATES	453057	9	FIRST BANK	899428	
OK		Full Service	268426	WEST MAIN BRANCH	1415 W MAIN ST	WAYNESBORO	VA	22980	WAYNESBORO CITY	UNITED STATES	Not Required	Not Required	FIRST BANK	899428	
OK		Full Service	898926	WINCHESTER BRANCH	1835 VALLEY AVENUE	WINCHESTER	VA	22601	WINCHESTER CITY	UNITED STATES	212979	2	FIRST BANK	899428	
OK		Full Service	3482326	WINCHESTER WEST BRANCH	208 CROCK WELLS MILL DRIVE	WINCHESTER	VA	22603	FREDERICK	UNITED STATES	466111	10	FIRST BANK	899428	
OK		Full Service	2838917	NORTH WOODSTOCK BRANCH	496 NORTH MAIN ST	WOODSTOCK	VA	22664	SHENANDOAH	UNITED STATES	358446	6	FIRST BANK	899428	
OK		Full Service	2333935	SOUTH WOODSTOCK BRANCH	860 SOUTH MAIN STREET	WOODSTOCK	VA	22664	SHENANDOAH	UNITED STATES	212981	4	FIRST BANK	899428	

Form FR Y-6
First National Corporation
Strasburg, Virginia
Fiscal Year Ending December 31, 2016

Report Item 4: Insiders

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

(1) Name & Address	(2) Principal Occupation, if other than with FNC	(3)(a) Title & Position with FNC	(3)(b) Title & Position with Subsidiaries	(3)(c) Title & Position with Other Businesses	(4)(a) Percentage of Voting Shares in FNC	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held.
Emily M. Beck Winchester, VA, USA	President – Marlow Automotive Group	Director	Director – First Bank	President – GW Motors dba TriState Nissan President – Marlow Motor Company President – Luray Ford dba Marlow Ford Member – Marard Associates dba JD Byrider Member – MWM Associates dba Credit Now Acceptance Company Member – JSB Associates Director – Virginia Automobile Dealers Association Chairman – Lord Fairfax Community College Foundation Board Co-Manager – Marlow Investments	Less than 1%	None	GW Motors dba TriState Nissan, 35% Marlow Motor Company, 40% Luray Ford dba Marlow Ford, 40%
M. Shane Bell Winchester, VA, USA	Executive Vice President & Chief Financial Officer - First Bank	Executive Vice President & Chief Financial Officer	Executive Vice President & Chief Financial Officer – First Bank	Director – Frederick County Middle School Band Boosters Association	Less than 1%	None	None
Elizabeth H. Cottrell Maurertown, VA, USA	Writing/Editing Services	Chairman of the Board & Director	Chairman of the Board & Director – First Bank	Owner /CEO - RiverwoodWriter LLC Director & Treasurer - Moore Educational Trust General Partner – Herbert Family Limited Partnership	5.25% *	None	RiverwoodWriter LLC, 100%
Miles K. Davis Winchester, VA, USA	Dean – Harry F. Byrd Jr. School of Business, Shenandoah University	Director	Director – First Bank	Trustee – Amana Mutual Funds Trust Director – Top of Virginia Chamber of Commerce Trustee – Loudoun Hospital Center	Less than 1%	None	None

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

(1) Name & Address	(2) Principal Occupation, if other than with FNC	(3)(a) Title & Position with FNC	(3)(b) Title & Position with Subsidiaries	(3)(c) Title & Position with Other Businesses	(4)(a) Percentage of Voting Shares in FNC	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held.
Dennis A. Dysart Edinburg, VA, USA	President & Chief Operating Officer – First Bank	Senior Executive Vice President & Chief Operating Officer	President & Chief Operating Officer – First Bank	Director – Virginia Association of Community Banks Treasurer – Shenandoah Community Education Foundation Secretary & Treasurer – Strasburg Community Scholarship Trust Fund Director – Shenandoah County Chamber of Commerce	Less than 1%	None	None
Christopher E. French Woodstock, VA, USA	President & Chief Executive Officer – Shenandoah Telecommunications Company	Director	Director – First Bank	President & CEO, Chairman of the Board & Director – Shenandoah Telecommunications Company Treasurer & Director – Pine Meadows Inc. Treasurer & Director – Frenchfield Inc. Limited Partner – Alder Run Land LP	1.25%	None	Frenchfield Inc., 40%
W. Michael Funk Woodstock, VA, USA	Retired	Director	Director – First Bank	Member – Town of Woodstock Economic Development Authority Director & Treasurer – Shenandoah Community Foundation Chairman – Northern Shenandoah Valley Regional Commission Housing and Community Services Policy Board Director – Samuels Public Library Director – Strasburg Rotary Club	Less than 1%	None	None
Scott C. Harvard Winchester, VA, USA	Chief Executive Officer – First Bank	Director, President, & Chief Executive Officer	Director & Chief Executive Officer – First Bank	Principal – Harvard Resources Corporation Trustee – Westminster Canterbury of Shenandoah Valley Chairman – United Way of the Northern Shenandoah Valley Advisory Board Member – Shenandoah University Harry F. Byrd Jr. School of Business Director – Virginia Bankers Association Director – CBB Financial Corporation	5.62% *	None	Harvard Resources Corporation, 100%

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

(1) Name & Address	(2) Principal Occupation, if other than with FNC	(3)(a) Title & Position with FNC	(3)(b) Title & Position with Subsidiaries	(3)(c) Title & Position with Other Businesses	(4)(a) Percentage of Voting Shares in FNC	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held.
Gerald F. Smith Jr. Winchester, VA, USA	President & CEO – Valley Proteins Inc.	Vice-Chairman & Secretary of the Board & Director	Vice-Chairman & Secretary of the Board & Director – First Bank	Chairman, President & CEO- Valley Proteins Inc. Secretary/Treasurer & Director - Gerald F. Smith Scholarship Foundation Director – Virginia Foundation for Community College Education Secretary/Treasurer – North Carolina Renderers Association Manager – Venture1 of Winchester, LLC Manager – A-N-D Realty, LLC Manager – Church Meadow, LLC Manager – R W Apartments, LLC Manager – R W Mofitt, LLC Manager – R W Commercial, LLC Manager – R W Commercial North, LLC Manager – Eagle 1976 LLC Trustee - Shenandoah University	1.44%	None	Valley Proteins Inc., 56% Eagle 1976 LLC, 100%
James R. Wilkins III Winchester, VA, USA	President – Silver Lake Properties Inc.	Director	Director – First Bank	President - Silver Lake Properties Inc. President - JRW Properties & Rentals Inc. President - Greystone Developers Inc. Partner - Wilkins Investments LP Partner - Wilkins Enterprises LP, RLLP Member/Manager – Greystone Properties LLC Member/Manager – Silver Lake LLC Board of Trustees - Winchester Medical Center Foundation	12.92% *	None	Silver Lake LLC, 50% Greystone Developers Inc., 50% Greystone Properties LLC, 50% Silver Lake Properties Inc., 50% Wilkins Investments LP, 48% Wilkins Enterprises LP, RLLP, 100% JRW Properties & Rentals Inc., 49.5% Round Hill Crossing, LLC, 50%

* Includes 5.02% held in the First National Corporation Employee Stock Ownership Plan and Trust. Messrs. Harvard and Wilkins, and Mrs. Cottrell serve as trustees of the ESOP and have voting powers with respect to such shares.