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(o)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, Lawrence R. Miller

Name of the Holding Company Director and Officer

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 Officer

March 24, 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.

33249467

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

n/a

Reporter’s Legal Entity Identifier (LEI) (20 Character LEI Code)

Reporter’s Name, Street, and Mailing Address

Independence Bancshares, Inc.

Legal Title of Holding Company

500 East Washington Street, PO Box 1776
(Mailing Address of the Holding Company) Street / P.O. Box

Greenville SC 29601

City State Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Bonnie Schmidt

Controller

Name Title

864-672-1776

Area Code / Phone Number / Extension

864-672-1777

Area Code / FAX Number

bschmidt@independencnb.com

E-mail Address

www.independencnb.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

☐ 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."

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.50 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, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.
Annual Report of Bank Holding Companies
Form FR Y-6
Independence Bancshares, Inc.
December 31, 2016

Item 1: Form 10-K as filed with the SEC is attached as Item 1
Item 2a: Organizational Chart

Independence Bancshares, Inc. – No LEI – (Holding Company – Established in South Carolina)
   – Public Company – Greenville, SC

Independence National Bank (National Bank) – No LEI – owned 100% by Holding Company – Greenville, SC
Item 2b: Domestic Branch Listing

See attached report. Also submitted via email to rich.fry6@rich.frb.org on March 21, 2017.
Results: A list of branches for your depository institution: INDEPENDENCE NATIONAL BANK (ID_RSSD: 3324994). This depository institution is held by INDEPENDENCE BANCSHARES, INC. (3324992) of GREENVILLE, 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 data 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.

*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>33249941</td>
<td>INDEPENDENCE NATIONAL BANK</td>
<td>400 EAST WASHINGTON ST</td>
<td>GREENVILLE</td>
<td>SC</td>
<td>29640</td>
<td>GREENVILLE</td>
<td>UNITED STATES</td>
<td>439289</td>
<td>0</td>
<td>INDEPENDENCE NATIONAL BANK</td>
<td>3324994</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>33249941</td>
<td>INDEPENDENCE NATIONAL BANK</td>
<td>5231 TILLY</td>
<td>SIMPSONVILLE</td>
<td>SC</td>
<td>29688</td>
<td>GREENVILLE</td>
<td>UNITED STATES</td>
<td>439289</td>
<td>1</td>
<td>INDEPENDENCE NATIONAL BANK</td>
<td>3324994</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>33249941</td>
<td>INDEPENDENCE NATIONAL BANK</td>
<td>120 HIGHWAY 14</td>
<td>TAYLORS</td>
<td>SC</td>
<td>29687</td>
<td>GREENVILLE</td>
<td>UNITED STATES</td>
<td>439621</td>
<td>2</td>
<td>INDEPENDENCE NATIONAL BANK</td>
<td>3324994</td>
<td></td>
</tr>
</tbody>
</table>

33249941 INDEPENDENCE NATIONAL BANK 469627 12 TAYLORS ISC IZGGEZ lZgeozvr¡lre lnu¡¡¡rED srATEs IWADE HAMPToN BRANcH
Annual Report of Bank Holding Companies
Form FR Y-6
Independence Bancshares, Inc.
December 31, 2016

Item 3: See Attached Report
<table>
<thead>
<tr>
<th>(1)(a) Name &amp; Address (City, State, Country)</th>
<th>(1)(b) Country of Citizenship or Incorporation</th>
<th>(1)(c) Number and Percentage of Each Class of Voting Securities</th>
<th>(2)(a) Name &amp; Address (City, State, Country)</th>
<th>(2)(b) Country of Citizenship or Incorporation</th>
<th>(2)(c) Number and Percentage of Each Class of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ulysses Partners, LP New York, NY</td>
<td>USA</td>
<td>2,687,500 - 9.87% Common Stock</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mendon Capital Master Fund, Ltd. Chicago, IL</td>
<td>USA</td>
<td>2,387,500 - 9.87% Common Stock</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert B. Willumstad New York, NY</td>
<td>USA</td>
<td>2,325,000 - 7.49% Common Stock</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Shareholders 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 the fiscal year ending December 31, 2016

<table>
<thead>
<tr>
<th>(2)(a) Name &amp; Address (City, State, Country)</th>
<th>(2)(b) Country of Citizenship or Incorporation</th>
<th>(2)(c) Number and Percentage of Each Class of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>
Item 4: See Attached Report
<table>
<thead>
<tr>
<th>Names &amp; Address</th>
<th>Business Occupation</th>
<th>Title &amp; Position</th>
<th>Other Businesses</th>
<th>Title &amp; Position</th>
<th>Shares in Bank Holding Company</th>
<th>Voting Shares in Subsidiaries</th>
<th>Percentage of Voting</th>
<th>Percentage of Shares</th>
<th>List of Other Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert M. Aoust</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Owner, President &amp; Chief Executive Officer Palmetto Jet, LLC</td>
<td>N/A</td>
<td>None</td>
<td>0.37%</td>
<td>None</td>
<td>Palmetto Jet, LLC (100%), American Consumer Finance (25%), Burnett Acquisitions (50%), Aircraft Management Group (100%)</td>
</tr>
<tr>
<td>John W. Burnett Sr.</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>President, CORBIA International</td>
<td>N/A</td>
<td>None</td>
<td>1.03%</td>
<td>None</td>
<td>CORBIA, Council of Resources (45%), NCB Investments (50%), Vardeny Executive Center (60%), Oronus Investments (25%)</td>
</tr>
<tr>
<td>Billy J. Coleman</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Assistant Portfolio Manager, Mardon Capital Advisors Corp &amp; EMB Capital Management, LLC</td>
<td>N/A</td>
<td>None</td>
<td>9.87%</td>
<td>None</td>
<td>N/A</td>
</tr>
<tr>
<td>Russell Edlow</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Owner, Hupp Investments, LLC</td>
<td>N/A</td>
<td>None</td>
<td>1.07%</td>
<td>None</td>
<td>N/A</td>
</tr>
<tr>
<td>H. Neel Hupp Jr.</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Portfolio Manager, Ulysses Management, LLC</td>
<td>N/A</td>
<td>None</td>
<td>9.87%</td>
<td>None</td>
<td>N/A</td>
</tr>
<tr>
<td>Adam G. Hurwich</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Manager, Investment Banking</td>
<td>N/A</td>
<td>None</td>
<td>1.02%</td>
<td>None</td>
<td>Peloton Investments (50%), Silver Ridge III LLC (50%), Oronus Investments (25%)</td>
</tr>
<tr>
<td>Martha L. Long</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Partner/Physician, Carolinas Internal Medicine</td>
<td>N/A</td>
<td>None</td>
<td>0.20%</td>
<td>None</td>
<td>N/A</td>
</tr>
<tr>
<td>Sudhir Kumar C. Patel</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Owner, Rex Management, LLC</td>
<td>N/A</td>
<td>None</td>
<td>0.05%</td>
<td>None</td>
<td>Rex Management, LLC (99%), Silver Ridge III LLC (50%)</td>
</tr>
<tr>
<td>Donald H. Rex, Jr.</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Managing Director, C&amp;A/Princeton Ridge, LLC, Senior Executive Advisor, The Brookside Group, Senior Managing Director, First Financial Investors, Inc.</td>
<td>N/A</td>
<td>None</td>
<td>0.81%</td>
<td>None</td>
<td>N/A</td>
</tr>
<tr>
<td>Keith Stock</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Chairman of the Board, Pacific Gateway Capital, LLC</td>
<td>N/A</td>
<td>None</td>
<td>1.32%</td>
<td>None</td>
<td>See Attachment A</td>
</tr>
<tr>
<td>Vivian A. Wong</td>
<td>Business Owner/Investments</td>
<td>Director</td>
<td>Director</td>
<td>Partner, Blysaam Global Partners</td>
<td>N/A</td>
<td>None</td>
<td>7.50%</td>
<td>None</td>
<td>N/A</td>
</tr>
<tr>
<td>Robert B. Wilkens</td>
<td>Business Owner/Investments</td>
<td>Director &amp; Chairman of the Board</td>
<td>Director</td>
<td></td>
<td>N/A</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Attachment A Item 4**

Vivian A. Wong – Ownership in Other Businesses

<table>
<thead>
<tr>
<th>Business Name/Location</th>
<th>Nature of Business</th>
<th>Position/Relationship</th>
<th>Percent of Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific Gateway Capital, LLC</td>
<td>Business Dev</td>
<td>Chairwoman</td>
<td>50.00%</td>
</tr>
<tr>
<td>Southeastern Investments, LLC</td>
<td>Development</td>
<td>Partner</td>
<td>50.00%</td>
</tr>
<tr>
<td>Mall Property, LLC</td>
<td>Development</td>
<td>Partner</td>
<td>50.00%</td>
</tr>
<tr>
<td>South County Investors, LLC</td>
<td>Development</td>
<td>Partner</td>
<td>40.00%</td>
</tr>
<tr>
<td>Fairforest of Greenville, LLC</td>
<td>Development</td>
<td>Partner</td>
<td>34.00%</td>
</tr>
<tr>
<td>International Properties, LLC</td>
<td>Development</td>
<td>Partner</td>
<td>25.00%</td>
</tr>
<tr>
<td>Four Seasons, LLC</td>
<td>Development</td>
<td>Partner</td>
<td>25.00%</td>
</tr>
<tr>
<td>WAL Lodging, LLC</td>
<td>Hotel</td>
<td>Partner</td>
<td>25.00%</td>
</tr>
<tr>
<td>Focus Investment LLC</td>
<td>Development</td>
<td>Partner</td>
<td>25.00%</td>
</tr>
</tbody>
</table>