

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, Jeremy W. Brown

Name of the Holding Company Director and Official

President/CEO/Chairman

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.

Jeremy W. Brown
Signature of Holding Company Director and Official
03/30/2017

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

None

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

Reporter's Name, Street, and Mailing Address

Peterstown Bancorp, Inc.

Legal Title of Holding Company

P.O. Box 550

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

Peterstown WV 24963

City State Zip Code

220 Market Street, Peterstown, WV 24963

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Jeremy W. Brown President

Name Title

304-753-4321

Area Code / Phone Number / Extension

304-753-5863

Area Code / FAX Number

jbrown@fnbp.com

E-mail Address

www.fnbp.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."

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)
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City State Zip Code	City State Zip Code
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Form FRY-6

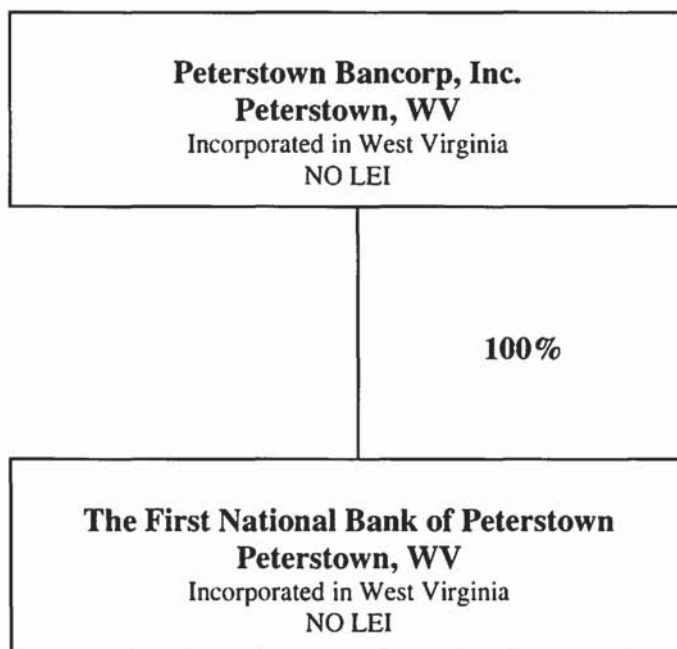
Peterstown Bancorp, Inc.

Peterstown, WV

Fiscal Year Ending December, 2016

Report Item

- 1: a. The BHC is not required to prepare form 10K with the SEC.
- 1: b. The BHC does prepare an annual report for its shareholders.
Enclosed are three copies of the annual report.
- 2: Organizational Chart



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

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OK: If the branch information is correct, enter 'OK' in the Data Action column.

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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.

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

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 BSSD columns are for reference only. Verification of these values is not required

Data Action	Effectiveness	Branch Service Type	Branch ID - RSSD*	Popular Name	Street Address	City	State	Zip Code	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID - RSSD*	Comments
OK		Full Service (Head Office)	719030	FIRST NATIONAL BANK OF	1220 MARKET STREET	PETERSTOWN	WV	24963	MONROE	4561	0	FIRST NATIONAL BANK OF	719030	
OK		Full Service	4934895	FNB# NARROW'S BRANCH	110 OLD VIRGINIA AVENUE	NARROW'S	VA	24124	GILES	Not Required	Not Required	FIRST NATIONAL BANK OF	719030	

Form FR Y-6 December 31, 2016

Report Item 3: Shareholders

(1)(a) (1)(b) (1)(c) (2)(a) (2)(b) (2)(c)

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12-31-15				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 12-31-15c	
(1)(a) Name and Address (City, State, Country)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities	(2)(a) Name and Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
Michelle D. Morel Doylestown, PA, USA	USA	4,410 – 6.85% Common Stock	None		
James W. Childs Bassett, VA, USA	USA	4,250 – 6.60% Common Stock			
Sally K. Parker Florence, AL, USA	USA	4,000 – 6.21% Common Stock			
Francis, Elizabeth P.O. Box 386 Peterstown, WV 24963	USA	3,444 – 5.35% Common Stock			

Form FR Y-6 December 31, 2016

Report Item 4: Directors and Officers

(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 Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
William A. Bailey Peterstown, WV, USA	N/A	Director & President	Director and President (The First National Bank of Peterstown)	N/A	3.11%	None	N/A
Neal Boggess Peterstown, WV, USA	Dairy Farmer	Director	Director (The First National Bank of Peterstown)	Owner Boggess Dairy	2.48%	None	Boggess Dairy (50%)
Jeremy W. Brown Peterstown, WV, USA	N/A	Director, Vice President & CFO	Director & Cashier/CFO (The First National Bank of Peterstown)	N/A	1.40%	None	N/A
John D. Helvey Peterstown, WV, USA	N/A	Cashier	Cashier/Compliance officer (The First National Bank of Peterstown)	N/A	0.31%	None	N/A
William S. Broyles Lindside, WV, USA	Retired Mortician	Director	Director (The First National Bank of Peterstown)	N/A	3.57%	None	N/A
Stephen M. Miller Peterstown, WV, USA	Family Physician	Director	Director (The First National Bank of Peterstown)	Owner Miller Family Practice	0.43%	None	Miller Family Practice, PLLC (100%)
Philip Shrewsbury Peterstown, WV, USA	Mortician	Director	Director (The First National Bank of Peterstown)	Owner Broyles Shrewsbury Funeral Home	3.40%	None	Broyles Shrewsbury Funeral Home (50%)

Peterstown Bancorp, Inc. & Subsidiary
Statement of Condition

As of December 31

	2016	2015
ASSETS		
Net Loans and Discounts	\$ 30,468,637	\$ 29,494,846
Available-for-sale investment securities	\$ 20,986,374	\$ 23,446,518
Stock in Federal Reserve Bank	\$ 13,200	\$ 13,200
Cash & Due From Banks	\$ 5,082,577	\$ 6,250,698
Banking House & Furniture & Fixtures	\$ 3,201,227	\$ 3,305,609
Interest receivable	\$ 212,557	\$ 217,058
Other Real Estate Owned	\$ -	\$ -
Other Assets	\$ 585,066	\$ 533,689
Total Assets	\$ 60,549,638	\$ 63,261,618
LIABILITIES		
Demand Deposits	\$ 19,768,920	\$ 19,991,145
Savings & Time Deposits	\$ 33,237,792	\$ 35,772,918
Interest payable	\$ 10,288	\$ 14,423
Other Liabilities	\$ 201,573	\$ 186,953
Total Liabilities	\$ 53,218,573	\$ 55,965,439
CAPITAL FUNDS		
Common Stock (80,000 shares)	\$ 80,000	\$ 80,000
Surplus	\$ 362,500	\$ 362,500
Treasury Stock (15,599 Shares and 15,599 shares)	\$ (540,580)	\$ (540,580)
AFS Market Value Income (Loss)	\$ (288,072)	\$ (139,611)
Undivided Profits	\$ 7,717,217	\$ 7,533,870
Total Equity and Capital	\$ 7,331,065	\$ 7,296,179
Total Liabilities and Equity	\$ 60,549,638	\$ 63,261,618

PETERSTOWN BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2016 and 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	221,988	308,928
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	-	-
Depreciation	123,869	88,559
Loss on Disposal of Fixed Assets	-	-
Loss on sale of other real estate	-	210
Gain on sale of securities	(13,302)	(7,470)
Deferred income tax expense (benefit)	(12,489)	62,007
Investment securities amortization (accretion), net	149,603	156,965
Cash surrender value of life insurance	(24,324)	(23,071)
Change in current assets and liabilities:		
(Increase) decrease in:		
Interest receivable	4,501	26,616
Other Assets	72,628	(95,142)
(Decrease) increase in:		
Interest payable	(4,135)	(3,197)
Other Liabilities	<u>14,620</u>	<u>(10,259)</u>
Net cash provided by operating activities	<u>532,959</u>	<u>504,146</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of securities available for sale	(5,792,097)	(6,567,690)
Proceeds from maturities of securities held-to-maturities	-	-
Proceeds from sales or maturities of securities available for sale	7,880,288	9,356,958
Net increase (decrease) in loans receivable	(973,792)	517,594
Proceeds from sale of premises and equipment	-	-
Purchase of premises and equipment	(19,488)	(1,385,121)
Proceeds from the sale of other real estate and repossessed assets	<u>-</u>	<u>57,318</u>
Net cash provided by (used in) financing activities	<u>1,094,911</u>	<u>1,979,059</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of treasury stock	-	-
Net increase in deposits	(2,757,351)	408,669
Cash dividends paid	<u>(38,641)</u>	<u>(38,641)</u>
Net cash provided by (used in) financing activities	<u>(2,795,992)</u>	<u>370,028</u>
Increase (decrease) in cash and cash equivalents	(1,168,122)	<u>2,853,233</u>
CASH AND CASH EQUIVALENTS		
Beginning	<u>6,250,698</u>	<u>3,397,465</u>
Ending	<u><u>5,082,576</u></u>	<u><u>6,250,698</u></u>
SUPPLEMENTAL INFORMATION		
Interest paid in cash	<u>\$ 127,517</u>	<u>\$ 156,013</u>
Income taxes paid in cash	<u>\$ -</u>	<u>\$ 130,365</u>

PETERSTOWN BANCORP, INC. & SUBSIDIARY
CONSOLIDATED STATEMENT OF INCOME AND EXPENSES

Years Ended December 31

	2016 (Thousands)	2015 (Thousands)
OPERATING INCOME:		
Interest and Fees on Loans	1,553	1,628
Interest and dividends on investment securities	462	473
Interest income on federal funds sold	5	3
Total Interest Income	2,020	2,104
Interest Expense	123	153
Net Interest Income	1,897	1,951
Provision for loan losses	-	-
Net Interest Income after provision	1,897	1,951
OTHER INCOME		
Service Charges on deposit accounts	32	40
ATM Income	154	147
Other Income	65	58
Total other income	251	245
OTHER EXPENSES		
Salaries and employees benefits	1,034	980
Occupancy and equipment expenses	251	187
Data processing expenses	277	269
Professional fees	91	95
Other operating expenses	234	271
Total Operating Expenses	1,887	1,802
INCOME BEFORE INCOME TAX	261	394
Income Taxes	39	85
NET INCOME	222	309
Earnings per common share	\$ 3.45	\$ 4.80

2015 RECONCILIATION OF EQUITY CAPITAL ACCOUNTS

	Treasury Stock (Thousands)	Comm. Stock Par Value (Thousands)	Surplus (Thousands)	AFS Market Value Equity (Thousands)	Undivided Profits & Reserves (Thousands)	Total Equity Capital (Thousands)
Balance beginning of period	(540)	80	363	(165)	7,263	7,001
Additions:						-
Current Year Earnings	-	-	-	26	309	335
Sale of Stock	-		-			-
Deductions:						-
Purchase Treasury Stock	-					-
Cash Dividend (.60 per share)	-	-	-	-	39	39
Ending Balance	(540)	80	363	(139)	7,533	7,297

2016 RECONCILIATION OF EQUITY CAPITAL ACCOUNTS

	Treasury Stock (Thousands)	Comm. Stock Par Value (Thousands)	Surplus (Thousands)	AFS Market Value Equity (Thousands)	Undivided Profits & Reserves (Thousands)	Total Equity Capital (Thousands)
Balance beginning of period	(540)	80	363	(139)	7,533	7,297
Additions:						-
Current Year Earnings (Loss)	-	-	-	(149)	222	73
Sale of Stock	-		-			-
Deductions:						-
Purchase Treasury Stock	-					-
Cash Dividend (.60 per share)	-	-	-	-	39	39
Ending Balance	(540)	80	363	(288)	7,716	7,331