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.

J. Carlisle Oxner, III
Name of the Holding Company Director and Official 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

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

RISD ID
C.I. 3134982

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, 2017

Month / Day / Year

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

Reporter's Name, Street, and Mailing Address

JCO Ventures, LLC

Legal Title of Holding Company

PO Box 769

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

Union SC 29379

City State Zip Code

100 East Main Street

Physically Location (if different from mailing address)

Person to whom questions about this report should be directed:

J. Carlisle Oxner, III

Name CEO

Title 864-427-1213

Area Code / Phone Number / Extension

864-466-4610

Area Code / FAX Number

coxner@arthurstatebank.com

E-mail Address

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

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

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

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

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 title 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.

03/2016
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>
<th>Legal Title of Subsidiary Holding Company</th>
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<tr>
<td>JCO Partners LP</td>
<td>JCO Partners II LP</td>
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<td>PO Box 769</td>
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<tr>
<td>Physical Location (if different from mailing address)</td>
<td>Physical Location (if different from mailing address)</td>
</tr>
</tbody>
</table>

12/2012
JCO Ventures, LLC

J. Carlisle Oxner, III ("JCO")
Union, SC
in his individual capacity

100%

JCO Ventures, LLC,
Union, SC
(formed in Georgia)

99.458%

0.69%

JCO Descendants' Trust
JCO, Trustee
(formed in South Carolina)

0.54%

JCO Partners, L.P.,
Union, SC
(formed in Georgia)
(JCO Ventures, LLC, General Partner)

99.31%

JCO Partners II, L.P.,
Union, SC
(formed in Georgia)
(JCO Ventures, LLC, General Partner)

Arthur Financial Corporation, Union,
SC (incorporated in Delaware)
of 1,463,688 shares of issued common stock [1,754 of these issued shares are treasury stock], 49,048 or 3.35% are held by JCO Partners, L.P. and 242,960 shares or 16.6% are held by JCO Partners II, L.P.)

100% 100%

Arthur State Bank
Union, SC
(formed in South Carolina)
LEI 549300DK682S26NIMG70

Arthur Financial
Statutory Trust 1
Union, SC
(formed in Delaware)

1/ This trust is not a bank holding company
2/ This company files a separate Form Y-6.
3/ No entities have a LEI except for Arthur State Bank
SHAREHOLDERS

JCO Ventures, LLC Shareholders: As a limited liability company established under Georgia law, JCO Ventures, LLC ("JCO Ventures") does not issue shares. J. Carlisle Oxner III, Union, S.C., holds 100% of the limited liability company interest in JCO Ventures. Mr. Oxner is a United States citizen. There are no outstanding options, warrants or other securities or rights that can be converted into or exercised for interests in JCO Ventures.

JCO Partners, L.P.: JCO Partners, L.P. ("JCO I"), Union, South Carolina, is a limited partnership established under the law of the State of Georgia which does not issue shares. JCO Descendants' Trust, a trust established under the law of the State of South Carolina, holds 99.31% of the limited partnership interest in JCO I. Mr. Oxner is the sole trustee of the JCO Descendants' Trust. The JCO Descendants' Trust is not a bank holding company because it is exempt from the definition of the term "company" under 12 U.S.C. Section 1841(b) and 12 C.F.R. Section 225.2(d)(3). There are no outstanding options, warrants or other securities or rights that can be converted into or exercised for interests in JCO I. The Bancshares Companies file separate annual reports on Form FR Y-6.

JCO Partners II, L.P.: JCO Partners II, L.P. ("JCO II"), Union, South Carolina, is a limited partnership established under the law of the State of Georgia which does not issue shares. Mr. Oxner, in his individual capacity, holds 99.458% of the limited partnership interest in JCO II. There are no outstanding options, warrants or other securities or rights that can be converted into or exercised for interests in JCO II.
DIRECTORS AND OFFICERS

NAMES AND ADDRESS:
  JCO Ventures: J. Carlisle Oxner III, Union, S.C., is the sole officer and director of JCO Ventures.
  JCO I: JCO I has no directors or officers. Its general manager is JCO Ventures, Union, S.C.
  JCO II: JCO II has no directors or officers. Its general manager is JCO Ventures, Union, S.C.

PRINCIPAL OCCUPATION:
  JCO Ventures: Mr. Oxner’s principal occupation is director, President and CEO, Arthur State Bank, Union, S.C., and director and President, Arthur Financial Corporation. He also serves as director and officer of Arthur State Company, a subsidiary of Arthur Financial Corporation.
  JCO I and JCO II: Item 4(2) is not applicable to JCO Ventures, the general manager of JCO I and JCO II.

TITLE OR POSITION
  JCO Ventures: Mr. Oxner is also the sole director and officer of JCO Ventures. Regarding other positions he holds, see the information above concerning his principal occupation. Mr. Oxner is the sole trustee of the JCO Descendants’ Trust.
  JCO I and JCO II: Item 4(3) is not applicable to JCO Ventures, the general partner of JCO I and JCO II.
PERCENTAGE OF EACH CLASS OF VOTING SECURITIES OWNED, CONTROLLED OR HELD

JCO Ventures: Mr. Oxner owns 100% of the limited liability company interest in JCO Ventures, and 99.458% of the limited partnership interest in JCO II.

JCO I and JCO II: JCO I and JCO II do not have directors or officers.

ORGANIZATION CHART
See attached
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.

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I, DANIEL O. COOK, JR
Name of the Holding Company Director and Official

EVP & CFO, COO
Title of the Holding Company Director and Official

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

December 31, 2017

Month / Day / Year

N/A

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

Arthur Financial Corporation
Legal Title of Holding Company

P O Box 769
(Mailing Address of the Holding Company) Street / P.O. Box

Union SC 29379
City State Zip Code

100 East Main Street
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Daniel O. Cook, Jr. EVP & CFO, COO
Name Title

864-466-4504
Area Code / Phone Number / Extension

864-466-4557
Area Code / FAX Number

dcook@arthurstatebank.com
E-mail Address

www.arthurstatebank.com
Address (URL) for the Holding Company's web page

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.

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03/2018
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</table>
REPORT ITEM:

1: a. ARTHUR FINANCIAL CORPORATION IS NOT REQUIRED TO PREPARE FORM 10K WITH THE SEC.

1: b. ENCLOSED IS A COPY OF THE ANNUAL REPORT PREPARED FOR STOCKHOLDERS.

2. ORGANIZATIONAL CHART

HOLDING COMPANY: ARTHUR FINANCIAL CORPORATION

SUBSIDIARIES OF HOLDING COMPANY:

ARTHUR STATE BANK - 549300DK662S26NIMG70
ARTHUR FINANCIAL STATUTORY TRUST I - NO LEI

ARTHUR FINANCIAL CORPORATION OWNS:

100% OF ARTHUR STATE BANK
100% OF ARTHUR FINANCIAL STATUTORY TRUST I
ARTHUR FINANCIAL CORPORATION
UNION, SOUTH CAROLINA
NO LEI
ORGANIZED IN DELAWARE

ARTHUR STATE BANK
UNION, SC
100%
LEI # 649300DHJ82S526NWDM70
ORGANIZED IN SOUTH CAROLINA

ARTHUR FINANCIAL STATUTORY TRUST I
UNION, SC
100%
NO LEI
ORGANIZED IN DELAWARE

2B. SEPARATE BRANCH LISTING ATTACHED
The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - https://y10online.federalreserve.gov.

If printing this list, you may need to adjust your page setup in 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, and state in the subject line of the e-mail.

**Note:**
To satisfy the FR Y-10 reporting requirements, you must also submit a FR Y-10 Schedule of Branches 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.

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<th>Zip Code</th>
<th>County</th>
<th>Country</th>
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<th>Office Number</th>
<th>Head Office</th>
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</tbody>
</table>
REPORT ITEM 3: SECURITIES HOLDERS

(1) (A, B, C) AND (2) (A, B, C)

CURRENT SECURITIES HOLDERS WITH OWNERSHIP, CONTROL OR HOLDINGS OF 5% OR MORE WITH POWER TO VOTE AS OF FISCAL YEAR ENDING DECEMBER 31, 2016

SECURITIES HOLDERS NOT LISTED IN 3(1)(A) THROUGH 3(1)(C) THAT HAD OWNERSHIP OR HOLDINGS OF 5% OR MORE WITH POWER TO VOTE DURING THE FISCAL YEAR ENDING 12-31-2016

<table>
<thead>
<tr>
<th>(1)(A)</th>
<th>(1)(B)</th>
<th>(1)(C)</th>
<th>(2)(A)</th>
<th>(2)(B)</th>
<th>(2)(C)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME</td>
<td>CITY, STATE, COUNTRY</td>
<td>COUNTRY OF CITIZENSHIP</td>
<td>NUMBER &amp; PERCENTAGE OF EACH CLASS OF VOTING</td>
<td>NAME</td>
<td>CITY, STATE, COUNTRY</td>
</tr>
<tr>
<td>J CARLISLE OXNER, III</td>
<td>UNION, SC</td>
<td>USA</td>
<td>41,922 - 2.898% COMMON</td>
<td>NONE</td>
<td></td>
</tr>
<tr>
<td>JCO PARTNERS II, LP</td>
<td>UNION, SC</td>
<td>USA</td>
<td>242,960 - 15.619% COMMON</td>
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</tr>
<tr>
<td>JCO PARTNERS, LP</td>
<td>UNION, SC</td>
<td>USA</td>
<td>49,048 - 3.355% COMMON</td>
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<td></td>
</tr>
<tr>
<td>HARRY A. OXNER</td>
<td>GEORGETOWN, SC</td>
<td>USA</td>
<td>42,637 - 2.916% COMMON</td>
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<td></td>
</tr>
<tr>
<td>HAO PARTNERS II, LP</td>
<td>GEORGETOWN, SC</td>
<td>USA</td>
<td>228,440 - 15.626% COMMON</td>
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<tr>
<td>HAO PARTNERS, LP</td>
<td>GEORGETOWN, SC</td>
<td>USA</td>
<td>46,162 - 3.158% COMMON</td>
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<tr>
<td>FOJ PARTNERS II, LP</td>
<td>COLUMBIA, SC</td>
<td>USA</td>
<td>195,676 - 13.487% COMMON</td>
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<td></td>
</tr>
<tr>
<td>FOJ PARTNERS, LP</td>
<td>COLUMBIA, SC</td>
<td>USA</td>
<td>49,109 - 3.359% COMMON</td>
<td></td>
<td></td>
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<tr>
<td>(1) NAME, CITY, STATE</td>
<td>(2) OCCUPATION</td>
<td>(3A) TITLE &amp; POSITION WITH BHC</td>
<td>(3B) TITLE &amp; POSITION WITH SUBSIDIARY</td>
<td>(4) TITLE &amp; POSITION WITH OTHER BUSINESS</td>
<td>(4A) % OF VOTING</td>
</tr>
<tr>
<td>-----------------------</td>
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<td>--------------------------------------</td>
<td>----------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>J. CARLISLE OXNER, JR</td>
<td>ATTORNEY</td>
<td>DIRECTOR AND CHAIRMAN</td>
<td>DIRECTOR &amp; CHAIRMAN</td>
<td>OWNER - OXNER &amp; OXNER</td>
<td>0.76%</td>
</tr>
<tr>
<td>COLUMBIA, SC, USA</td>
<td></td>
<td></td>
<td></td>
<td>LAW FIRM</td>
<td></td>
</tr>
<tr>
<td>J. CARLISLE OXNER, JR</td>
<td></td>
<td>DIRECTOR AND PRESIDENT &amp; CEO</td>
<td>DIRECTOR AND PRESIDENT &amp; CEO</td>
<td>N/A</td>
<td>2.87%</td>
</tr>
<tr>
<td>UNION, SC, USA</td>
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<td>LAW FIRM</td>
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<tr>
<td>HARRY A OXNER</td>
<td>ATTORNEY</td>
<td>DIRECTOR AND BOARD SECRETARY</td>
<td>DIRECTOR AND BOARD SECRETARY</td>
<td>PARTNER - OXNER &amp; STACY</td>
<td>2.92%</td>
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<tr>
<td>GEORGETOWN, SC, USA</td>
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<td>LAW FIRM</td>
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</tr>
<tr>
<td>DANIEL O. COOK, JR,</td>
<td></td>
<td>DIRECTOR AND EVP &amp; CFO, COO</td>
<td>DIRECTOR AND EVP &amp; CFO, COO</td>
<td>N/A</td>
<td>0.003%</td>
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<tr>
<td>CLINTON, SC, USA</td>
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<td>LAW FIRM</td>
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<tr>
<td>WILLIAM DOGAN WILSON</td>
<td></td>
<td>DIRECTOR</td>
<td>DIRECTOR</td>
<td>N/A</td>
<td>0.004%</td>
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<tr>
<td>CAMPOBELLO, SC, USA</td>
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<td>LAW FIRM</td>
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<tr>
<td>JUSTIN A CONVERSE</td>
<td>MINERALS HANDLING</td>
<td>DIRECTOR</td>
<td>OWNER &amp; PRESIDENT</td>
<td>CONVERSE &amp; COMPANY, INC</td>
<td>0.13%</td>
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<tr>
<td>SPARTANBURG, SC, USA</td>
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<td>LAW FIRM</td>
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<tr>
<td>JCO PARTNERS II, LP</td>
<td>LIMITED PARTNERSHIP</td>
<td>STOCKHOLDER</td>
<td>N/A</td>
<td>OWNER &amp; PRESIDENT</td>
<td>16.819%</td>
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<tr>
<td>UNION, SC, USA</td>
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<td>CONVERSE &amp; COMPANY, INC</td>
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<tr>
<td>HAO PARTNERS II, LP</td>
<td>LIMITED PARTNERSHIP</td>
<td>STOCKHOLDER</td>
<td>N/A</td>
<td>OWNER &amp; PRESIDENT</td>
<td>15.62%</td>
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<tr>
<td>GEORGETOWN, SC, USA</td>
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<td>CONVERSE &amp; COMPANY, INC</td>
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<tr>
<td>FOJ PARTNERS II, LP</td>
<td>LIMITED PARTNERSHIP</td>
<td>STOCKHOLDER</td>
<td>N/A</td>
<td>OWNER &amp; PRESIDENT</td>
<td>13.467%</td>
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<tr>
<td>COLUMBIA, SC, USA</td>
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<td>CONVERSE &amp; COMPANY, INC</td>
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<td>REPORT ITEM 4: INSIDERS</td>
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<tr>
<td>(1) (2) (3A/B/C) AND (4) (A/B/C)</td>
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