

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, George F. Cradlin
Name of the Holding Company Director and Official
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.

[Signature]
Signature of Holding Company Director and Official
March 28, 2018
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, 2017

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

POWELL VALLEY BANKSHARES, INC.

Legal Title of Holding Company

P.O. BOX 100

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

JONESVILLE VA 24263

City State Zip Code

33785 MAIN STREET, JONESVILLE, VA 24263

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

AARON C. HICKS VP / CFO

Name Title

276-346-1414

Area Code / Phone Number / Extension

276-346-0187

Area Code / FAX Number

ahicks@powellvalleybank.com

E-mail Address

www.powellvalleybank.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.

NONE

Legal Title of Subsidiary Holding Company

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

City State Zip Code

Physical Location (if different from mailing address)

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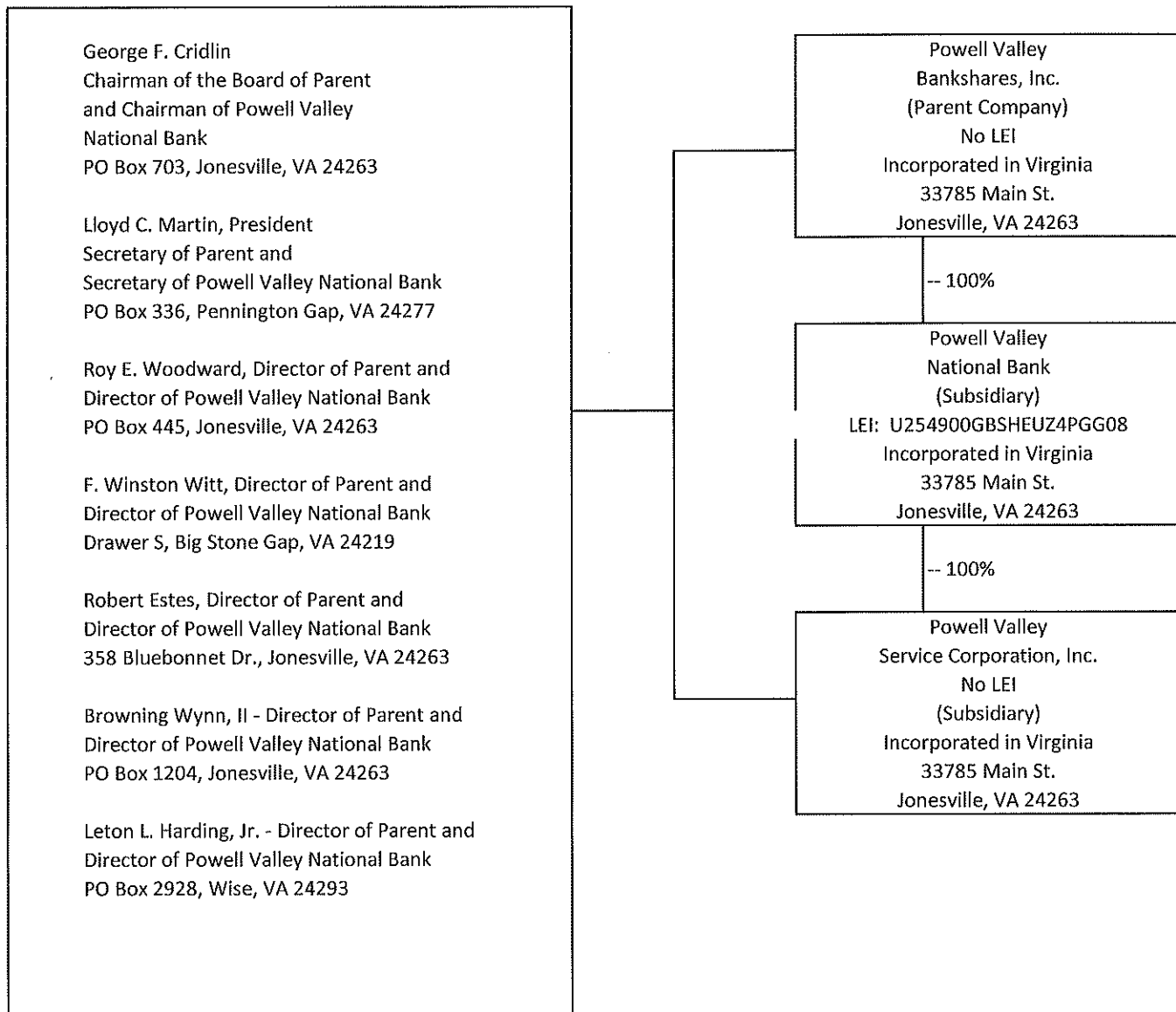
Physical Location (if different from mailing address)

Form FR Y-6
Powell Valley Bankshares, Inc.
Jonesville, Virginia
Fiscal Year Ending December 31, 2017

1. Powell Valley Bankshares, Inc. is not registered with the Securities and Exchange Commission. The bank holding company prepares an annual report for its shareholders. Two copies will be provided under separate cover as soon as possible.

Form FR Y-6
Powell Valley Bankshares, Inc.
Jonesville, Virginia
Fiscal Year Ending December 31, 2017

Report Item 2a - Organization Chart of Parent - Subsidiary Relationships



Form FR Y-6
Powell Valley Bankshares, Inc.
Jonesville, Virginia
Fiscal Year Ending December 31, 2017

Report Item 2b - Domestic Branch Listing

NOTE: Branch verification submitted early via email on 3/28/17

- 1) Jonesville - Main Office
33785 Main Street
Jonesville, VA 242263
Lee / USA
Full Service
- 2) Pennington Gap - Branch
42180 East Morgan Avenue
Pennington Gap, VA 24277
Lee / USA
Full Service
- 3) Wise - Branch
540 West Main Street
Wise, VA 24293
Wise / USA
Full Service
- 4) Big Stone Gap - Branch
228 East 5th Street South
Big Stone Gap, VA 24219
Wise / USA
Full Service
- 5) Duffield - Branch
301 Duff-Patt Highway
Duffield, VA 24244
Scott / USA
Full Service

Results: A list of branches for your holding company: POWELL VALLEY BANKSHARES, INC. (1246271) of JONESVILLE, VA.
The data are as of 12/31/2017. Data reflects information that was received and processed through 01/04/2018.

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)	31826	POWELL VALLEY NATIONAL BANK	33785 MAIN STREET	JONESVILLE	VA	24263	LEE	UNITED STATES	Not Required	Not Required	POWELL VALLEY NATIONAL BANK	31826	
OK		Full Service	2689605	BIG STONE GAP BRANCH	228 EAST 5TH STREET SOUTH	BIG STONE GAP	VA	24219	WISE	UNITED STATES	Not Required	Not Required	POWELL VALLEY NATIONAL BANK	31826	
OK		Full Service	3922279	DUFFIELD BRANCH	301 DUFF PATT HIGHWAY	DUFFIELD	VA	24244	SCOTT	UNITED STATES	Not Required	Not Required	POWELL VALLEY NATIONAL BANK	31826	
OK		Full Service	95024	PENNINGTON GAP BRANCH	42180 EAST MORGAN AVENUE	PENNINGTON GAP	VA	24277	LEE	UNITED STATES	Not Required	Not Required	POWELL VALLEY NATIONAL BANK	31826	
OK		Full Service	2184593	WISE BRANCH	540 WEST MAIN STREET	WISE	VA	24293	WISE	UNITED STATES	Not Required	Not Required	POWELL VALLEY NATIONAL BANK	31826	

Form FR Y-6
Powell Valley Bankshares, Inc.
Jonesville, Virginia
Fiscal Year Ending December 31, 2017

Report Item 3: Securities Holders
(1)(a)(b)(c) and (2)(a)(b)(c)

page 1 of 2

Current shareholders with ownership, control or holdings of 5% or more with power to vote as of 12/31/17			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 12/31/17		
(1) (a) Name & 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 & Address (City, State, Country)	(2) (b) Country of Citizenship or Incorporation	(2) (c) Number and Percentage of Each Class of Voting Securities
Cridlin Investment Co. LLP George F. Cridlin Karen Cridlin H. Fuller Cridlin J. Patton Cridlin Jonesville, VA	USA USA USA USA USA	47,826 shares - 7.322% of common stock	NONE		
John C. Wynn Patricia M. Wynn Browning Wynn II Sarah H. Wynn Laura M. Wynn Rachel Hammonds Wynn 1888 Investments, LP Jonesville, VA	USA USA USA USA USA USA USA	237,145 shares - 36.306% of common stock			
Mary D. Hancock Trust Charlottesville, VA	USA	36,667 shares - 5.614% of common stock			
Jennie Grigsby Stewart Pennington Gap, VA	USA	22,341 shares - 3.420% of common stock			

Form FR Y-6
Powell Valley Bankshares, Inc.
Jonesville, Virginia
Fiscal Year Ending December 31, 2017

Report Item 3: Securities Holders

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

page 2 of 2

Current shareholders with ownership, control or holdings of 5% or more with power to vote as of 12/31/17			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 12/31/17		
(1) (a) Name & 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 & Address (City, State, Country)	(2) (b) Country of Citizenship or Incorporation	(2) (c) Number and Percentage of Each Class of Voting Securities
Robert T. Estes Estes Bros Construction, Inc. Julaine Estes Jonesville, VA	USA USA USA	51,358 shares - 7.863% of common stock	NONE		

Form FR Y-6
Powell Valley Bankshares, Inc.
Jonesville, Virginia
Fiscal Year Ending December 31, 2017

Report Item 4: Insiders

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

Page 1 of 2

(1) 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	(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	(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)
Lloyd C. Martin Pennington Gap, VA	N/A	President & Secretary of the Corporation	President & Secretary of the Corporation (PVNB)	NONE	0.546%	NONE	N/A
Roy E. Woodward, Jr. Jonesville, VA	N/A	Director	Director (PVNB)	NONE	1.102%	NONE	N/A
F. Winston Witt, Jr. Big Stone Gap, VA	Insurance Agent	Director	Director (PVNB)	President Southwest Insurance Agency	0.861%	NONE	Southwest Insurance Agency 90% owner
George F. Cridlin Jonesville, VA	Attorney	Director General Counsel Chairman of Board	Director (PVNB) Chairman of Board	President of George F. Cridlin Law Firm	7.322% (aggregate family ownership)	NONE	George F. Cridlin Law Firm - 100% Tall Oaks ApB - 50% Lee County Properties - 100%

Form FR Y-6
Powell Valley Bankshares, Inc.
Jonesville, Virginia
Fiscal Year Ending December 31, 2017

Report Item 4: Insiders

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

Page 2 of 2

(1) 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	(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	(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)
Robert Estes Jonesville, VA	Commercial Contractor	Director	Director (PVNB)	President of Estes Bros. Construction Company	7.863%	NONE	Boones Trail Bison, LLC - 51% Lee Land Co., LLC - 51%
Browning Wynn, II Jonesville, VA	N/A	Director	Vice President (PVNB) Director (PVNB)	NONE	36.306% (aggregate family ownership)	NONE	1888 Investments, LP - 25%
Leton L. Harding Wise, VA	N/A	Executive Vice Pres.	Director (PVNB) Executive Vice President & Chief Executive Officer	NONE	0.153%	NONE	N/A