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 3109(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, Tim C. Thompson
Name of the Holding Company Director and Official
President/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

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
RSSID ID
C.I.

Is confidential treatment requested for any portion of this report submission? ☐ 0=No ☐ 1=Yes
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."

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2017
Month / Day / Year
N/A

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

Report's Name, Street, and Mailing Address
Commercial Bank Shares, Inc.
P.O. Box 127
Honea Path SC 29654

City State Zip Code

4 Church Street

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Tim C. Thompson President
Name Title
864-369-7326
Area Code / Phone Number / Extension
864-369-6805
Area Code / FAX Number

tthompson@thecommercialbanksc.com
E-mail Address

Address (URL) for the Holding Company's web page
www.thecommercialbanksc.com
2a: Organizational Chart

Commercial Bank Shares, Inc.  
(No LEI Number)  
Honea Path, South Carolina  
Incorporated in South Carolina

[Diagram of organizational chart]
**Reconciliation and Verification Steps**

1. In the Data Action column at 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, retake the data, enter 'Change' in the Data Action column and the date when the information first became valid in the Effective Date column.
- **Close**: If a branch listed was closed, enter 'Close' in the Data Action column and the date of closure in the Effective Date column.
- **Delete**: If a branch listed was never owned by the 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 pricing the list, you may need to adjust your page setup in 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 emailing this to your FRB contact, put your Institution name, city and state in the subject line of the e-mail.

**Notes**

To satisfy the FR Y-10 reporting requirements, you must also submit FR Y-10 Domestic Branch Schedule for each branch with a Data Action of Change, Close, Delete, or Add.

The FR Y-10 report may be submitted in a landscape format or via the FR Y-10 Online application - [https://fr10online.federalreserve.gov](https://fr10online.federalreserve.gov).

*FOIC UNIUM, Office Number, and ID_RASS columns are for reference only. Verification of these values is not required.*

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<th>Branch Service Type</th>
<th>Branch Name</th>
<th>Branch Address</th>
<th>State</th>
<th>Zip Code</th>
<th>City</th>
<th>State</th>
<th>County</th>
<th>FRB UNUM</th>
<th>Office Number</th>
<th>Head Office</th>
<th>Head Office ID</th>
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REPORT ITEM 3.1: SHAREHOLDERS

CURRENT SHAREHOLDERS WITH OWNERSHIP, CONTROL OR HOLDINGS OF 5% OR MORE WITH POWER TO VOTE AS OF 12/31/17 (COMMON STOCK ISSUED ONLY) AT FISCAL YEAR END

<table>
<thead>
<tr>
<th>NAME AND ADDRESS</th>
<th>COUNTRY OF CITIZENSHIP</th>
<th>NUMBER</th>
<th>PERCENTAGES</th>
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<tr>
<td>TRUSTEES OF COMMERCIAL BANK SHARES KSOP PLAN</td>
<td>USA</td>
<td>24,216</td>
<td>6.80%</td>
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<td>HONEA PATH, SC</td>
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REPORT ITEM 3.2: SHAREHOLDERS

CURRENT SHAREHOLDERS WITH OWNERSHIP, CONTROL OR HOLDINGS OF 5% OR MORE WITH POWER TO VOTE AS OF 12/31/17 (COMMON STOCK ISSUED ONLY) DURING YEAR BUT NOT AT YEAR END

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<th>NUMBER</th>
<th>PERCENTAGES</th>
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<tr>
<td>NAME &amp; ADDRESS</td>
<td>PRINCIPAL OCCUPATION IF OTHER THAN WITH BANK HOLDING COMPANY</td>
<td>TITLE &amp; POSITION WITH BANK HOLDING COMPANY</td>
<td>TITLE &amp; POSITION WITH SUBSIDIARIES</td>
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<tr>
<td>ROBERT S CLARKE</td>
<td>COMPUTER SERVICE</td>
<td>DIRECTOR</td>
<td>DIRECTOR</td>
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<td>DUE WEST, SC USA</td>
<td>WEST CAROLINA RURAL TELEPHONE</td>
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<tr>
<td>MICHAEL W. GAMBERELL</td>
<td>OWNER/OPERATOR</td>
<td>DIRECTOR</td>
<td>DIRECTOR</td>
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<tr>
<td>BELTON, SC USA</td>
<td>M &amp; R ENTERPRISES</td>
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<tr>
<td>MALETIE L GAMBERELL</td>
<td>OWNER/OPERATOR</td>
<td>DIRECTOR</td>
<td>DIRECTOR</td>
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<tr>
<td>COLEMAN C. GARY</td>
<td>OWNER/OPERATOR</td>
<td>DIRECTOR</td>
<td>DIRECTOR</td>
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<tr>
<td>BELTON, SC USA</td>
<td>INNOVATIVE LEASING LOGISTICS, INC.</td>
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<tr>
<td>T. E. MARTIN</td>
<td>CO-OWNER</td>
<td>DIRECTOR</td>
<td>DIRECTOR</td>
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<tr>
<td>HONEA PATH, SC USA</td>
<td>HONEA PATH ANIMAL HOSPITAL</td>
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<tr>
<td>A. CLAUS THOMPSON</td>
<td>RETIRED</td>
<td>DIRECTOR</td>
<td>DIRECTOR</td>
</tr>
<tr>
<td>HONEA PATH, SC USA</td>
<td>C THOMPSON AUTO</td>
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<tr>
<td>Tim C. Thompson</td>
<td>BANCING</td>
<td>PRESIDENT</td>
<td>DIRECTOR</td>
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<tr>
<td>Honea Path, SC USA</td>
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