

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)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11(a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)) and section 10(c)(2)(H) of the Home Owners' Loan Act. Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies and top-tier savings and loan 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.

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.

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

December 31, 2015

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

Cornerstone Bancorp Inc

Legal Title of Holding Company

1 W Northwest Hwy

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

Palatine

IL

60067

City

State

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Michelle Kuhn

Vice President/Finance Off

Name

Title

8476543017

Area Code / Phone Number / Extension

8479343886

Area Code / FAX Number

mkuhn@cornerstonenb.com

E-mail Address

www.cornerstonenb.com

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

I, Thomas P. MacCarthy

Name of the Holding Company Director and Official

Director & Vice President

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

3-29-16

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.

2929383

Does the reporter request confidential treatment for any portion of this submission?

Yes Please identify the report items to which this request applies:

In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.

The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

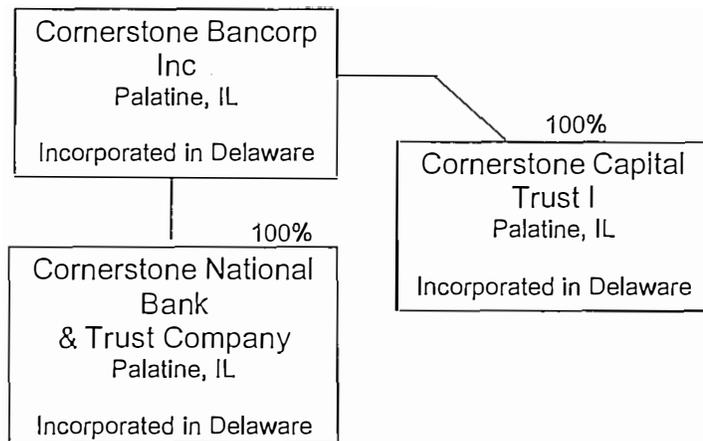
No

Form FR Y-6

Cornerstone Bancorp, Inc.
Palatine, Illinois
Fiscal Year Ending December 31, 2015

Report Item

1. The Holding Company does not prepare an annual report for its stockholders.
- 2.a. Organizational Chart (The bank does not have any LEI data to report).



- 2.b. Domestic branch verification submitted via email to FRB on 03/15/2016.

Result: A list of branches for your depository institution: CORNERSTONE NATIONAL BANK & TRUST COMPANY (ID_RSSD: 2929392).
 This depository institution is held by CORNERSTONE BANCORP, INC. (2929383) of PALATINE, IL.
 The data are as of 12/31/2015. Data reflects information that was received and processed through 01/07/2016.

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>.

* FDICUNINUM, 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	12/31/2015	Full Service (Head Office)	2929392	CORNERSTONE NATIONAL BANK & TRUST COMPANY	ONE WEST NORTHWEST HIGHWAY	PALATINE	IL	60067	COOK	UNITED STATES	356679	0	CORNERSTONE NATIONAL BANK & TRUST COMPANY	2929392	
OK	12/31/2015	Full Service	3657656	650 EAST TERRA COTTA AVENUE OFFICE	650 EAST TERRA COTTA AVENUE	CRYSTAL LAKE	IL	60014	MCHENRY	UNITED STATES	462140	1	CORNERSTONE NATIONAL BANK & TRUST COMPANY	2929392	
OK	12/31/2015	Full Service	4103833	585 EIA ROAD OFFICE	585 EIA ROAD	LAKE ZURICH	IL	60047	LAKE	UNITED STATES	499606	2	CORNERSTONE NATIONAL BANK & TRUST COMPANY	2929392	

Cornerstone Bancorp Inc
Palatine IL
Fiscal Year Ending December 31, 2015

Report Item 3: Securities Holders

Current Securities Holders with ownership, control or holdings of 5% or more with power to vote <u>as-of</u> fiscal year end.			Securities Holders not listed in 3(1)(a) through (3)(1)(c) that had ownership, control or holdings of 5% or more with power to vote <u>during</u> the fiscal year.		
(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
Gerald F. Fitzgerald, Jr Palatine IL	USA	46,000 - 6.41% Common Stock	None to Report		
S C Investments II, LP Palatine IL	USA	120,222 - 16.75% Common Stock			
GFF Family Trust Inverness IL	USA	5,000 - .70% Common Stock			
Fitzgerald 2002 Special Trust Inverness IL	USA	5,000 - .70% Common Stock			
JBF 2013 Trust Palatine IL	USA	1,000 - .14% Common Stock			
Otis Road Investments Inverness IL	USA	10,000 - 1.39% Common Stock			
TGF Investments LP Inverness IL	USA	4,000 - .56% Common Stock			
Julie F. Schauer 1994 Trust Vienna, VA	USA	10,000 - 1.39% Common Stock			
Brian J. McMahon Inverness IL	USA	200 - .03% Common Stock			
Michael J. McMahon Inverness IL	USA	200 - .03% Common Stock			
Total Fitzgerald Family:		201,622 - 28.08% Common Stock			
Thomas P. MacCarthy Lake Barrington IL	USA	40,786 - 5.68% Common Stock			
Patricia W. MacCarthy Lake Barrington IL	USA	7,214 - 1.00% Common Stock			
Cornelius J. MacCarthy Algonquin IL	USA	630 - .09% Common Stock			
Wendy L. MacCarthy Algonquin IL	USA	370 - .05% Common Stock			
Total MacCarthy Family:		49,000 - 6.83% Common Stock			
Sharon M. Hill Rolling Meadows IL	USA	29,600 - 4.12% Common Stock			
Matthew M. Hill Family Trust Rolling Meadows IL	USA	17,311 - 2.41% Common Stock			
Matthew M. Hill Marital Trust Rolling Meadows IL	USA	1,000 - .14% Common Stock			
Total Hill Family:		47,911 - 6.67% Common Stock			
Frank Roth Elmwood Park IL	USA	36,000 - 5.01% Common Stock			
Total Roth Family:		36,000 - 5.01% Common Stock			

