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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

None

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

Reporter's Name, Street, and Mailing Address

Farmers and Merchants Bancshares, Inc.

Legal Title of Holding Company

PO Box 928

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

Burlington IA 52601  
City State Zip Code

221 Jefferson Street, Burlington, IA 52601

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Sherie Pulse Secretary

Name Title

319 754 2277

Area Code / Phone Number / Extension

3197686139

Area Code / FAX Number

spulse@fmbanktrust.com

E-mail Address

www.fmbanktrust.com

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

I, Charles E. Walsh

Name of the Holding Company Director and Official

President and Board of 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

02/24/2016

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 2178631  
C.I. \_\_\_\_\_

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

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

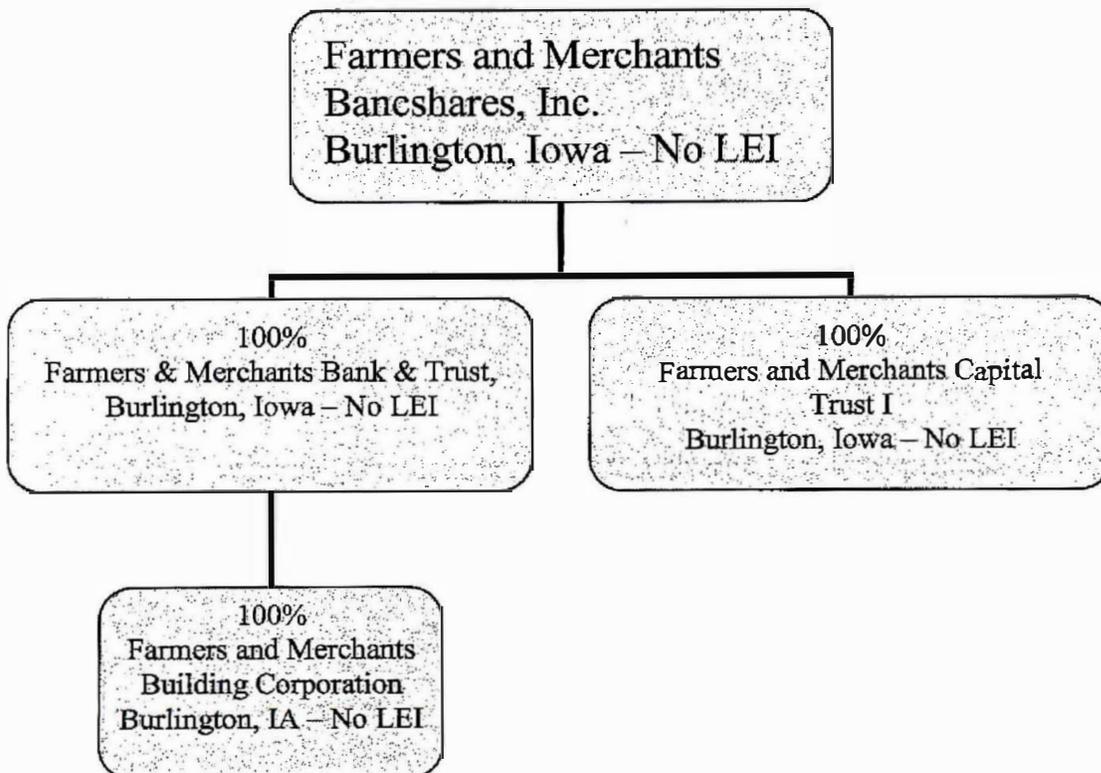
- In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.  
 The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

No

Form FR Y-6  
Farmers and Merchants Bancshares, Inc.  
Burlington, Iowa  
Fiscal Year Ending December 31, 2015

Report Item

- 1: The bank holding company does prepare an annual report for its shareholders and two copies of the report will be submitted under separate cover when completed. These reports will be completed by May 2016.
- 2: A. Organization chart – all entities are incorporated in the State of Iowa.



- B. Submitted via email to [BranchReview@chi.frb.org](mailto:BranchReview@chi.frb.org) on January 28, 2016.

Results: A list of branches for your holding company: FARMERS AND MERCHANTS BANCSHARES, INC. (2178631) of BURLINGTON, IA. 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>.

\* 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	FD C UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	888141	FARMERS & MERCHANTS BANK & TRUST	3RD AND JEFFERSON STREET	BURLINGTON	IA	526 1	DES MOINES	UNITED STATES	8588	0	FARMERS & MERCHANTS BANK & TRUST	888141	
OK		Limited Service	2096539	PARKING LOT BR NCH	125 NORTH 4TH STREET	BURLINGTON	IA	52601	DES MOINES	UNITED STATES	230034	1	FARMERS & MERCHANTS BANK & TRUST	888141	
OK		Full Service	439141	BROADWAY BRANCH	101 BROADWAY	WEST BURLINGTON	IA	52655	DES MOINES	UNITED STATES	7707	5	FARMERS & MERCHANTS BANK & TRUST	88 141	
OK		Limited Service	2076951	DRIVE-IN BRANCH	109 WEST MOUNT PLEASANT STREET	WEST BURLINGTON	IA	52655	DES MOINES	UNITED STATES	226358	7	FARMERS & MERCHANTS BANK & TRUST	888141	

Farmeres and Merchants Bancshares, Inc.  
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Report Item No. 3

December 31, 2015

Shareholders (1)

Shareholder Name, city and state/country	Country of Citizenship	# of Shares	Percentage
Charles E. Walsh Trust, Charles E. Walsh, Trustee Burlington, Iowa USA	USA	31694	11.99%
Linda Walsh Trust, Linda Walsh Trustee Burlington, Iowa USA	USA	14930	5.65%
Jane Thode Walsh Family Trust, Co Trustees, Charles E. Walsh, Lisa T. Walsh and Jane W. Ertz Burlington, Iowa USA	USA	24444	9.25%
Lisa T. Walsh Burlington, Iowa USA	USA	35612	13.48%
Jane W. Ertz, Trustee/Ertz Rev. Trust Mission Hills, Kansas USA	USA	37620	14.23%
Charles L. Walsh Burlington, Iowa USA	USA	1303	0.49%
Allison Walsh Morris a/k/a Allison Walsh Coralville, Iowa USA	USA	759	0.29%
John Charles Ertz Shaker Heights, Ohio USA	USA	750	0.28%
Ertz Trust/Mike Ertz, Trustee Elm Grove, WI USA	USA	850	0.32%

Report Item No. 3.2 N/A

## Farmers and Merchants Bancshares, Inc.

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December 31, 2015

1. Name, city and state/country	2. Principal Occupation If other than with the HC	3a. Title/Position w/bank HC	3b. Title/Position w/direct or indirect subsidiaries of bank HC	3c. Title/Position w/any other company	4a % of voting shares in bank HC	4b % of voting shares in direct & indirect subsidiaries of BHC	4c % of voting shares w/any other company if 25% or more
Walsh, C. E. Burlington, Iowa USA	Banking	Director President	Director/President F & M B & T Director/President F & M Building Corp. Administrator F & M Capital Trust I	President/Director CALC Corp Trustee Charles E. Walsh Trust Principal Manager Walsh-Walsh, LLC Co-Trustee Jane Thode Walsh Family Trust Manager/Member SEWW LLC Member Flying W LLC	11.99%	None	25% CALC, Inc. Burlington, IA 100% Charles E. Walsh Trust Burlington, IA 50% Walsh-Walsh LLC, Burlington 33% Jane Thode Walsh Family Trust Burlington, IA 25% SEWW LLC Burlington, IA 50% Flying W LLC Burlington, IA
Wagner, Cornie S. West Burlington, IA USA	Banking	None	Vice President of Risk Management F & M B & T	None	0.00%	None	N/A
Wagner, John W. Burlington, IA USA	Banking	None	Senior Trust Officer F & M B & T	Director Southeast Elite Soccer Academy Director Notre Dame Foundation	0.04%	None	N/A
Walsh, Charles L. Burlington, IA USA	Banking	Director Vice President	Director/Chief Executive Officer F & M B & T Director/Vice President F&M Building Corp.	Treasurer/Director CALC Corp.	0.49%	None	25% CALC, Inc. Burlington, Iowa
Walsh, Lisa T. Burlington, IA USA	Banking	Director	Vice President F & M B & T	Co-Trustee Jane Thode Walsh Family Trust Member SEWW LLC	13.48% 3.08%	None	33% Jane Thode Walsh Family Trust Burlington, IA 25% SEWW LLC Burlington, IA
Hagerda, Mark R. West Burlington, IA USA	Retired	Director	Director F & M B & T Director F & M Building Corp.	Co-Trustee Janice A. Hagerda ByPass Trust	0.31%	None	N/A
Kuepper, William J. Carman, IL USA	Retired	Director	Director F & M B & T Director F & M Building Corp.	N/A	0.07%	None	N/A

Readinger, Brian K. Burlington, IA USA	Funeral Home Director	Director	Director F & M B & T Director F & M Building Corp.	Owner Lunning Chapel Burlington, IA General Partner WindSong LLP Burlington, IA Co-Trustee Maria R. Readinger Trust Burlington, IA	0.04%	None	100% Lunning Chapel Burlington, IA  33% WindSong LLP Burlington, IA  50% Maria R. Readinger Trust Burlington, IA
Ertz, Jane W.	Retired	None	None	Co-Trustee Jane Thode Walsh Family Trust Member SEWW LLC Trustee Ertz Revocable Trust Secretary Ertz Agency, Inc.	14.23% 3.08%	None	33% Jane Thode Walsh Family Trust Burlington, IA 25% SEWW LLC Burlington, IA 100% Ertz Rev. Trust
Krause, Jerry D.	Banking	None	Vice President & Sr. Lending Officer F&M B & T	None	0.00%	None	N/A
Walsh, Allison a/k/a Allison Walsh Morris	Physicians Assistant	None	None	Treasurer Calc Corp	0.28%	None	25% Calc Corp Burlington, IA
Ertz, John Charles	Insurance/Investment Firm - management & ownership	None	None	Managing Partor Northwestern Mutual, Northern Ohio	0.28%	None	None
Ertz Trust/Mike Ertz	Consultant	Director	None	Founder/Principal Mike Ertz Consulting Board Member Milwaukee Center for Independence Trustee Ertz Trust	0.32%	None	100% Mike Ertz Consulting     100% Ertz Trust
Linda Walsh Trust, Linda Walsh, Trustee	Homemaker	None	None	Trustee Linda Walsh Trust Vice President/Director CALC Corp	5.65%	None	100% Linda Walsh Trust  25% CALC Corp
Brotherson, Jeffrey L.	Banking	Treasurer	VP & CFO/Cashier F&MB&T Treasurer FandM BC	President Shoquocon Tenets Club	0.00%	None	None
Steffensmeyer, William J.	Farmer	None	Director F&M B & T Director FandM BC	Manager & Member L&S Enterprises, LLC	1.31%	None	50% L & S Enterprises, LLC Fort Madison, IA

BHC - Bank Holding Company  
F & M B & T - Farmers & Merchants Bank & Trust  
FandM BC - Farmers and Merchants Building Corp.