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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.

I, Larry Olson, President

Name of the Holding Company Director and Official

Royal Bancshares Inc.

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.

[Handwritten Signature]

Signature of Holding Company Director and Official

03/07/2016

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
 C.I.

1207758

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

Royal Bancshares Inc.

Legal Title of Holding Company

P O Box 79

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

Royal IA 51357
 City State Zip Code

202 3rd Ave

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Larry Olson President

Name Title

712-933-5511

Area Code / Phone Number / Extension

712-933-2397

Area Code / FAX Number

dave@hsbroyal.com

E-mail Address

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

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



HOME STATE BANK

"The Bank of Generations"

ROYAL, IOWA 51357

Telephone 712-933-5511

www.hsbrooyal.com

February 24, 2016

Form FYR-6
Royal Bancshares, Inc.
P O Box 79,
202 3rd Ave
Royal, IA 51357

REPORT ITEM #1: The bank holding company prepares an annual report for its shareholders and regulators. Three copies are enclosed.

REPORT ITEM #2(a):

- Both Home State Bank and Royal Bancshares, Inc. were incorporated in the state of Iowa.
- Address: Royal Bancshares, Inc. P O Box 79; 202 3rd Ave; Royal, IA 51357
- Royal Bancshares, Inc. (1695 shares) owns 100% of Home State Bank, 202 3rd Ave, Royal, IA (2000 shares)
- Both Home State Bank and Royal Bancshares, Inc. have no LEI Code

REPORT ITEM #2(b): There are no domestic branches.

REPORT ITEM #3(1) a, b, & c:

Larry Olson, Okoboji, Iowa (U.S. Citizen, owns 442 shares or 26%)
Shirley Olson, Okoboji, Iowa (U.S. Citizen, owns 437 shares, or 25.7%)
Julie Jorgensen, Spencer, Iowa (U.S. Citizen, owns 328 shares, or 19.3%)
Lesa Manning, Royal, Iowa (U.S. Citizen, owns 328 shares, or 19.3%)
(note: Julie and Lesa are daughters of Larry & Shirley Olson)

REPORT ITEM #3(2): None

REPORT ITEMS #4 (1), (2), (3), & (4):

- Larry Olson, Okoboji, IA – Banker, U.S. Citizen is Director, President & Secretary/Treasurer & votes 26% of the shares.
- Shirley Olson, Okoboji, IA, retired, U.S. Citizen is a director & votes 25.7% of the shares.
- Lesa Manning, Royal, IA, homemaker, U.S. Citizen, is a director & votes 19.3% of the shares.
- Julie Jorgensen, Spencer, IA, homemaker, U.S. Citizen, is a director & votes 19.3% of the shares.

REPORT ITEMS #3b, 3c, 4b, 4c for all of above is "None"

Results: A list of branches for your depository institution: **HOME STATE BANK (ID_RSSD: 472045)**.
 This depository institution is held by **ROYAL BANCSHARES, INC. (1207758)** of **ROYAL, 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	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	472045	HOME STATE BANK	202 3RD AVENUE	ROYAL	IA	51357	CLAY	UNITED STATES	633	0	HOME STATE BANK	472045	