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. § 3108(a)); Sections 11(a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 632, 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.

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, Mark D. Showalter
Name of the Holding Company Director and Official
Secretary/Treasurer
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
09/13/2017
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
1208577
C.I.

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2016
Month / Day / Year

Report's Legal Entity Identifier (LEI) (20-Character LEI Code)
None

Reporter's Name, Street, and Mailing Address
Port Bancshares, Inc.
206 N. Franklin St./PO Box 176
Port Washington WI 53074

Legal Title of Holding Company
Port Bancshares, Inc.

Address (URL) for the Holding Company's web page
None

does the reporter request confidential treatment for any portion of this submission?
☐ Yes Please Identify the report items to which this request applies:
☒ No

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."

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.25 hours per response, including time to gather and maintain data in the required form to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.
Note: Port Bancshares, Inc owns and controls 400 shares of an outstanding 400 shares of Port Washington State Bank Common Stock. This represents 100% ownership and control.

Port Washington State Bank owns and controls 1000 shares of an outstanding 1000 shares of Port State Investments, Inc Stock. This represents 100% ownership and control.

No LEI for the above entities
Results: A list of branches for your holding company: PORT BANCSHARES, INC. (1208577) of PORT WASHINGTON, WI.
The data are as of 12/31/2016. Data reflects information that was received and processed through 01/10/2017.

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 UNNUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

<table>
<thead>
<tr>
<th>Data Action</th>
<th>Effective Date</th>
<th>Branch Service Type</th>
<th>Branch ID_RSSD*</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>County</th>
<th>Country</th>
<th>FDIC UNNUM*</th>
<th>Office Number*</th>
<th>Head Office</th>
<th>Head Office ID_RSSD*</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>OK</td>
<td>2017-01-01</td>
<td>Full Service (Head Office)</td>
<td>937740</td>
<td>PORT WASHINGTON STATE BANK, THE</td>
<td>206 NORTH FRANKLIN STREET</td>
<td>PORT WASHINGTON</td>
<td>WI</td>
<td>53074</td>
<td>OZAUKEE</td>
<td>UNITED STATES</td>
<td>53737</td>
<td>0</td>
<td>PORT WASHINGTON STATE BANK, THE</td>
<td>937740</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2017-01-01</td>
<td>Full Service</td>
<td>2075404</td>
<td>BELGIUM BRANCH</td>
<td>455 MAIN STREET</td>
<td>BELGIUM</td>
<td>WI</td>
<td>53004</td>
<td>OZAUKEE</td>
<td>UNITED STATES</td>
<td>218838</td>
<td>1</td>
<td>PORT WASHINGTON STATE BANK, THE</td>
<td>937740</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2017-01-01</td>
<td>Full Service</td>
<td>3512698</td>
<td>CEDARBURG BRANCH</td>
<td>W61N526 WASHINGTON AVENUE</td>
<td>CEDARBURG</td>
<td>WI</td>
<td>53012</td>
<td>OZAUKEE</td>
<td>UNITED STATES</td>
<td>359983</td>
<td>9</td>
<td>PORT WASHINGTON STATE BANK, THE</td>
<td>937740</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2017-01-01</td>
<td>Full Service</td>
<td>727240</td>
<td>FREDONIA BRANCH</td>
<td>201 REGAL DRIVE</td>
<td>FREDONIA</td>
<td>WI</td>
<td>53021</td>
<td>OZAUKEE</td>
<td>UNITED STATES</td>
<td>12184</td>
<td>3</td>
<td>PORT WASHINGTON STATE BANK, THE</td>
<td>937740</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2017-01-01</td>
<td>Full Service</td>
<td>2135531</td>
<td>SAUKVILLE BRANCH</td>
<td>601 EAST GREEN BAY AVE</td>
<td>SAUKVILLE</td>
<td>WI</td>
<td>53080</td>
<td>OZAUKEE</td>
<td>UNITED STATES</td>
<td>218839</td>
<td>2</td>
<td>PORT WASHINGTON STATE BANK, THE</td>
<td>937740</td>
<td></td>
</tr>
</tbody>
</table>
Report Item 3: Securities Holders

Current Securities Holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2016

<table>
<thead>
<tr>
<th>Name &amp; Address (City, State, Country)</th>
<th>Country of Citizenship or Incorporation</th>
<th>(1)(c) Number and Percentage of Each Class of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ronald J. Schowalter and Elizabeth A. Schowalter Living Trust, Ronald J. Schowalter and Elizabeth A. Schowalter Trustees, Port Washington Wisconsin/USA</td>
<td>USA</td>
<td>6708 or 47.47% of 7% cumulative voting preferred stock and 60 shares or 50% of 9% cumulative preferred stock</td>
</tr>
<tr>
<td>Francis M. Metz Living Trust and Metz Family Trust, Fredonia Wisconsin/USA</td>
<td>USA</td>
<td>1750 or 12.38% of 7% cumulative voting preferred stock and 30 shares of 9% cumulative preferred stock</td>
</tr>
<tr>
<td>Steven R. Schowalter, Steven R. Schowalter and Wendy P Schowalter Family Endowment Trust, Port Washington Wisconsin/USA</td>
<td>USA</td>
<td>1265 or 8.95% of 7% cumulative voting preferred stock</td>
</tr>
<tr>
<td>Mark D. Schowalter, Mark D. Schowalter Family Endowment Trust, Mark D. Schowalter and Catherine J. Schowalter, Port Washington, Wisconsin/USA</td>
<td>USA</td>
<td>1241 shares or 8.78% of 7% cumulative voting preferred stock</td>
</tr>
<tr>
<td>Sally Savatski, Sally or Robert Savatski, Sally Savatski Family Endowment Trust, Port Washington Wisconsin/USA</td>
<td>USA</td>
<td>920 shares or 6.50% of 7% cumulative voting preferred stock</td>
</tr>
</tbody>
</table>

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 during the fiscal year ending 12-31-2016

<table>
<thead>
<tr>
<th>Name &amp; Address (City, State, Country)</th>
<th>Country of Citizenship or Incorporation</th>
<th>(2)(c) Number and Percentage of Each Class of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### Report Item 4: Insiders

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

<table>
<thead>
<tr>
<th>Names &amp; Address (City, State, Country)</th>
<th>Principal Occupation if other than with Bank Holding Company</th>
<th>Title &amp; Position with Bank Holding Company</th>
<th>Title &amp; Position with Subsidiaries (Include names of subsidiaries)</th>
<th>Percentage of Voting Securities in Bank Holding Company</th>
<th>Percentage of Voting Securities in Subsidiaries (Include names of subsidiaries)</th>
<th>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)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ronald J. Schowalter and Elizabeth A. Schowalter Living Trust, Ronald J. Schowalter and Elizabeth A. Schowalter Trustees, Port Washington, Wisconsin/USA</td>
<td>Retired</td>
<td>Chairman of the Board</td>
<td>Chairman of the Board of Port State Investments Ltd., Subsidiary of Port Washington State Bank</td>
<td>None</td>
<td>6708 or 47.47% of 7% cumulative voting preferred stock and 60 shares or 50% of 9% cumulative preferred stock</td>
<td>None</td>
</tr>
<tr>
<td>Francis M. Metz, Port Washington, WI/USA</td>
<td>Retired</td>
<td>Director &amp; Executive Vice President</td>
<td>Director of Port State Investments LTD - Subsidiary of Port Washington State Bank</td>
<td>Trustee &amp; President - Frederick Hilgen Foundation Ltd. Director &amp; Treasurer Community Education Foundation of Port Washington</td>
<td>1750 or 12.38% of 7% cumulative voting preferred stock and 30 shares of 9% cumulative preferred stock</td>
<td>None</td>
</tr>
</tbody>
</table>
## Report Item 4: Insiders

<table>
<thead>
<tr>
<th>Names &amp; Address (City, State, Country)</th>
<th>Principal Occupation if other than with Bank Holding Company</th>
<th>Title &amp; Position with Bank Holding Company</th>
<th>Title &amp; Position with Subsidiaries (include names of subsidiaries)</th>
<th>Title &amp; Position with Other Businesses (include names of other businesses)</th>
<th>Percentage of Voting Securities in Bank Holding Company</th>
<th>Percentage of Voting Securities in Subsidiaries (include names of subsidiaries)</th>
<th>Percentage of Voting Securities in Other Businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steven R. Schowalter</strong>, Steven R. Schowalter and Wendy P. Schowalter, Steven R. Schowalter Family Endowment Trust, Port Washington, Wisconsin/USA</td>
<td>See 3-b</td>
<td>Director and President</td>
<td>Chairman of the Board of Port Washington State Bank, President &amp; CEO of Port Washington State Bank. Director and Vice President of Port State Investments Ltd., Subsidiary of Port Washington State Bank</td>
<td>Partner in Franklin Street Investment Company, President of Lakewood Estates Property Owners Association of Green Lake, Wisconsin</td>
<td>1265 or 8.95% of 7% cumulative voting preferred stock</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td><strong>Mark D. Schowalter</strong>, See 3-b</td>
<td>Director and Secretary/Treasurer</td>
<td>Director and Executive Vice President-COO of the Port Washington State Bank. Director and Secretary of Port State Investments Ltd., Subsidiary of Port Washington State Bank</td>
<td></td>
<td></td>
<td></td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td><strong>Thomas D. Greisch</strong>, Retired</td>
<td>Director</td>
<td>None</td>
<td></td>
<td></td>
<td>349 shares or 2.42% of 7% Cumulative Preferred Stock</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>