



COPY

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.

I, Scott E. Sheldon

Name of the Holding Company Director and Official

Chairperson of the Board of Directors

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.

Scott E. Sheldon
Signature of Holding Company Director and Official

3-25-16

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 1249 299

C.I. _____

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

Commercial National Financial Corporation

Legal Title of Holding Company

101 N. Pine River St.

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

Ithaca

MI

48847

City

State

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Cathy M. Patterson

VP/Controller

Name

Title

989-875-5505

Area Code / Phone Number / Extension

989-875-4534

Area Code / FAX Number

patterson@commercial-bank.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."

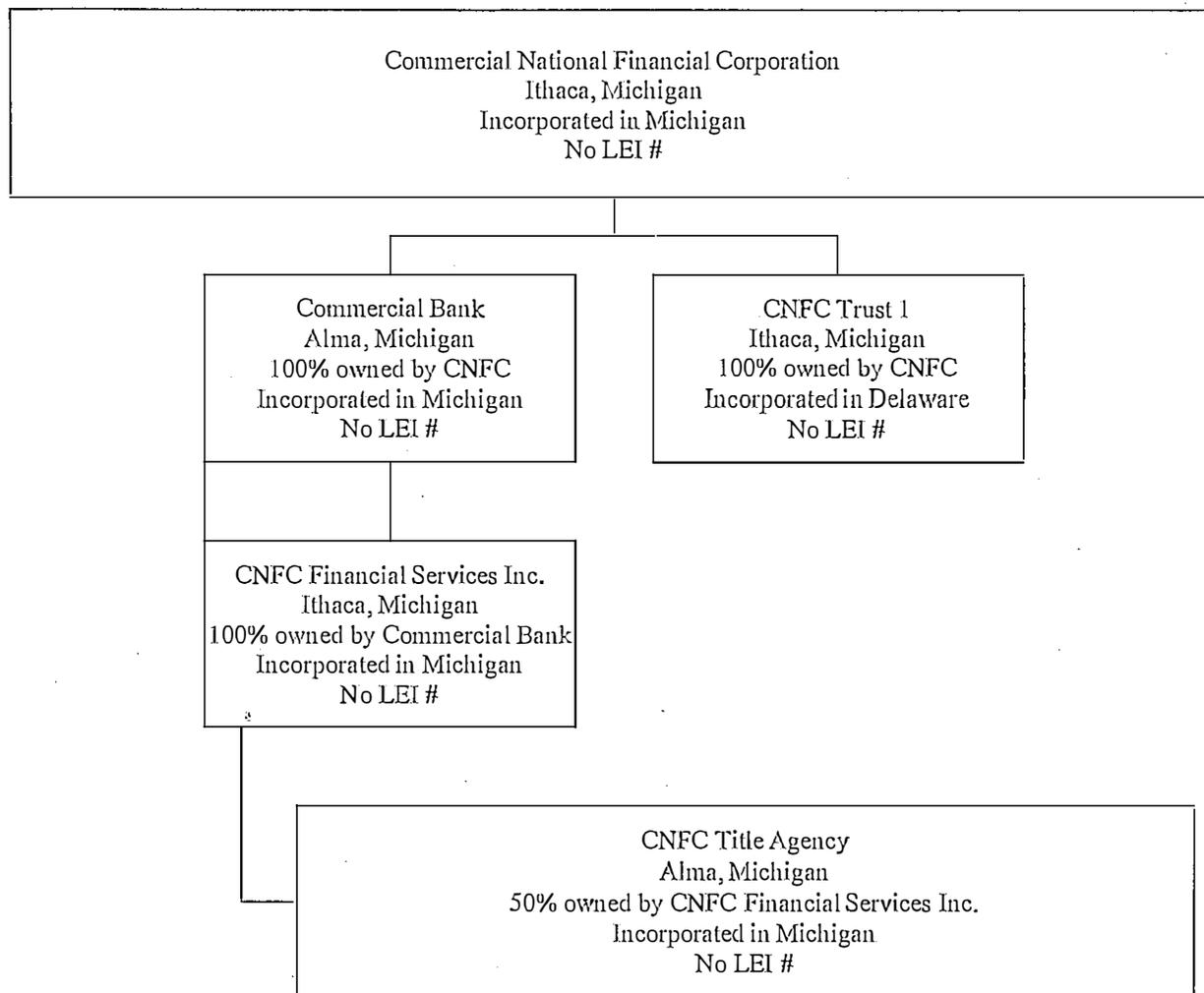
No

2a: Organizational Chart

CNFC

Corporate Structure

December 31, 2015



2b: Domestic branch listing provided to the Federal Reserve by email on 3/16/16

Results: A list of branches for your depository institution: **COMMERCIAL BANK (ID_RSSD: 513340).**

This depository institution is held by **COMMERCIAL NATIONAL FINANCIAL CORPORATION (1249299)** of **ITHACA, MI.**

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) | 1249299 | COMMERCIAL BANK | 301 NORTH STATE STREET | ALMA | MI | 48801 | GRATIOT | UNITED STATES | 12471 | 0 | COMMERCIAL BANK | 513340 | |
| ok | | Limited Service | 2077305 | CENTER STREET OFFICE | 119 WEST CENTER STREET | ALMA | MI | 48801 | GRATIOT | UNITED STATES | 245797 | 3 | COMMERCIAL BANK | 513340 | |
| ok | | Full Service | 2082989 | WRIGHT AVENUE OFFICE | 1500 WRIGHT AVENUE | ALMA | MI | 48801 | GRATIOT | UNITED STATES | 245795 | 1 | COMMERCIAL BANK | 513340 | |
| ok | | Full Service | 3506567 | GREENVILLE WEST OFFICE | 10530 WEST CARSON CITY ROAD | GREENVILLE | MI | 48838 | MONTCALM | UNITED STATES | 419739 | 11 | COMMERCIAL BANK | 513340 | |
| ok | | Full Service | 4162906 | HASTINGS BRANCH | 629 WEST STATE STREET | HASTINGS | MI | 49058 | BARRY | UNITED STATES | 40970 | 13 | COMMERCIAL BANK | 513340 | |
| ok | | Full Service | 241643 | ITHACA OFFICE | 101 NORTH PINE RIVER | ITHACA | MI | 48847 | GRATIOT | UNITED STATES | 3353 | 4 | COMMERCIAL BANK | 513340 | |
| ok | | Limited Service | 4154291 | LAKE ODESSA BRANCH | 802 4TH AVENUE | LAKE ODESSA | MI | 48849 | IONIA | UNITED STATES | 265184 | 14 | COMMERCIAL BANK | 513340 | |
| ok | | Full Service | 2111496 | MIDDLETON OFFICE | 101 NORTH NEWTON STREET | MIDDLETON | MI | 48856 | GRATIOT | UNITED STATES | 206699 | 5 | COMMERCIAL BANK | 513340 | |
| ok | | Full Service | 2104760 | SAINT LOUIS OFFICE | 104 NORTH MILL STREET | SAINT LOUIS | MI | 48880 | GRATIOT | UNITED STATES | 245798 | 7 | COMMERCIAL BANK | 513340 | |

FR Y-6

Commercial National Financial Corporation
Ithaca, Michigan
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 ending 12-31-2015 | | | | 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 ending 12-31-2015 | | |
|--|---|---|----------------------|---|---|---|
| (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 |
| Luneack K Rev Living Trust, Doug Hoard TTEE; Alma, MI | USA | 210,364.00 | 6.470% Common Shares | None | | |
| Scott E. Sheldon Alma, MI | USA | 163,659.00 | 5.030% Common Shares | | | |

Commercial National Financial Corporation
Ithaca, Michigan
Fiscal Year Ending December 31, 2015

Report Item 4: Insiders
(1)(a)(b)(c) and (2)(a)(b)(c)

| (1) | (2) | (3)(a) | (3)(b) | (3)(c) | (4)(a) | (4)(b) | (4)(c) |
|---|--|--|--|---|---|---|---|
| Names & Address (City, State, Country) | Principal Occupation If other than with Bank Holding Company | Title & Position with Bank Holding Company | Title & Position with Subsidiaries (include names of subsidiaries) | Title & Position with Other Businesses (include names of other businesses) | Percentage of Voting Securities in Bank Holding Company | Percentage of Voting Securities in Subsidiaries (include names of subsidiaries) | 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) |
| Barker, Jeffrey S. St. Louis, MI / USA | None | Director | Director | None | 0.86% | None | None |
| Collison, Kevin D. Middleton, MI/USA | None | President and CEO | President and CEO | None | 0.35% | None | None |
| Elmore, Robert S. Mt. Pleasant, MI/USA | Chief Financial Officer | Director | Director and Secretary | Treasurer, Bowlin Plaza, LLC Treasurer, DLW Associates, LLC Treasurer, DLW Promenade, LLC Treasurer, Ellenwood, LLC Treasurer, G & H, LLC Treasurer, High Pointe, LLC Treasurer, Leaton Properties, LLC Treasurer, MRW Consulting, LLC Treasurer, Northwest Plaza, LLC Treasurer, Palemirk, LLC Treasurer, Pickard Properties, LLC Treasurer, Rainalle, LLC Treasurer, RAW Associates, LLC Treasurer, RAW Promenade, LLC Treasurer, Ray's Food Fair, Inc. Treasurer, Real Pick, LLC Treasurer, Richmar Properties, LLC Treasurer, Richmar Realty, LLC Treasurer, South Isabella, LLC Treasurer, Sullivan Towers, LLC | 0.14% | None | None |
| Forlino, Charles M. Alma, MI USA | Attorney | Director | Director | President, Forlino, Plaxton, & Costanzo, PC Member, Alma Renaissance, LLC | 0.12% | None | Forlino, Plaxton, & Costanzo, PC 50% Alma Renaissance, LLC 50% |
| Kommel, Alan C. Sumner, MI / USA | Executive | Director | Director | President, Amie's Arts 'n' Crafts President, Craig Frames, Inc. Managing Member, Goupil Investments, LLC Managing Member, Kommel Investments, LLC Managing Member Ithaca Properties, LLC Member/Partner JPAKI | 1.07% | None | Craig Frames, Inc. 92% Goupil Investments, LLC 50% Amie's Arts 'n' Crafts 50% Kommel Investments, LLC 100% Ithaca Properties, LLC 50% JAPKI 50% |
| Lewis, Randal K. Alma, MI / USA | Financial Advisor | Director | Director | Associate Vice President, Investments – Raymond James & Associates | 0.12% | None | None |
| Newson, Kim C. Ithaca, MI / USA | Owner/Manager Retail hardware business | Director and Vice Chairperson | Director and Vice Chairperson | Secretary/Treasurer and Director of Alma Hardware Company | 0.75% | None | None |
| Prestage, Richard S. St. Louis, MI/USA | Partner, Nexcare Health Systems, LLC | Director | Director | Exec. VP, Nexcare Health Systems, LLC | 0.29% | None | None |
| Roslund, Loren R. Ithaca, MI / USA | Agriculture - Business | Director | Director | Chairman, Roslund Farms, LLC Chairman, Roslund Precision Machine, LLC | 0.52% | None | None |

Commercial National Financial Corporation
Ithaca, Michigan
Fiscal Year Ending December 31, 2015

Report Item 4: Insiders
(1)(a)(b)(c) and (2)(a)(b)(c)

| (1) | (2) | (3)(a) | (3)(b) | (3)(c) | (4)(a) | (4)(b) | (4)(c) |
|--|--|--|--|--|---|---|---|
| Names & Address (City, State, Country) | Principal Occupation If other than with Bank Holding Company | Title & Position with Bank Holding Company | Title & Position with Subsidiaries (Include names of subsidiaries) | Title & Position with Other Businesses (Include names of other businesses) | Percentage of Voting Securities in Bank Holding Company | Percentage of Voting Securities in Subsidiaries (Include names of subsidiaries) | 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) |
| Sheldon, Scott E. Alma, MI / USA | Insurance Agent | Director, Secretary and Chairperson | Director and Chairperson | Owner of Kemen-Sheldon Agency and Shepherd Insurance Agency | 5.03% | None | Sole proprietor of Kemen-Sheldon Agency and Shepherd Insurance Agency |
| Shafley, Andrew P. Alma, MI/USA | None | None | Executive Vice President and Chief Lending Officer | None | 0.52% | None | None |
| Twardy, Kevin A. Ithaca, MI/USA | None | None | CFO and COO | None | 0.09% | None | None |