

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)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). 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. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

I, Mark E. Masters

Name of the Holding Company Director and Official

President & 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.

Mark E. Masters, President & Director
Signature of Holding Company Director and Official

12/27/2017

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 _____

C.I. _____

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

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

September 30, 2017

Month / Day / Year

None

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

Reporter's Name, Street, and Mailing Address

Mechanics Financial Corporation

Legal Title of Holding Company

2 South Main St.

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

Mansfield

OH

44902

City

State

Zip Code

N/A

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Mark E. Masters

President & Director

Name

Title

419-524-0831

Area Code / Phone Number / Extension

419-522-0646

Area Code / FAX Number

mmasters@mymechanics.com

E-mail Address

None

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

Is confidential treatment requested for any portion of this report submission? 0=No 1=Yes 1

In accordance with the General Instructions for this report (check only one),

1. a letter justifying this request is being provided along with the report ☒
2. a letter justifying this request has been provided separately ☐

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

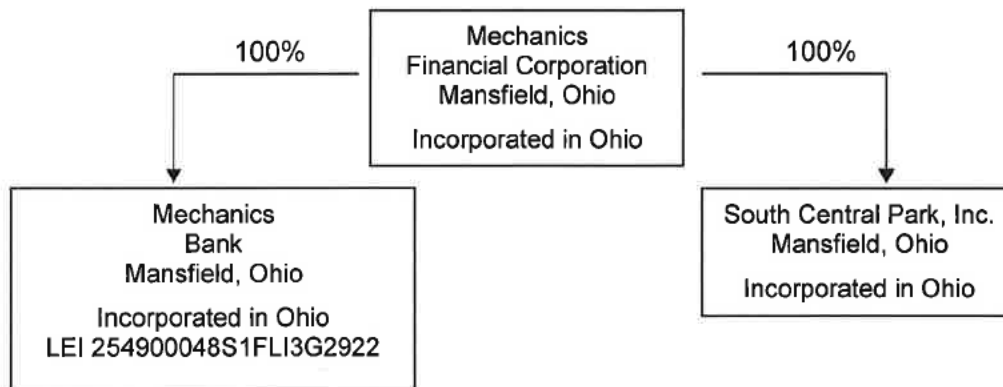
Form FR Y-6

**Mechanics Financial Corporation
Mansfield, Ohio
Fiscal Year Ending September 30, 2017**

Report Item

1: The bank holding company distributes an annual report to its shareholders and is not registered with the SEC. As specified by the Federal Reserve Bank of Cleveland, one copy will be sent as soon as practicable.

2a. Organizational Chart¹



¹ LEI is N/A unless noted

Results: A list of branches for your depository institution: **MECHANICS BANK (ID_RSSD: 943675)**.
This depository institution is held by **MECHANICS FINANCIAL CORPORATION (2395326) of MANSFIELD, OH**.
The data are as of **09/30/2017**. Data reflects information that was received and processed through **10/04/2017**.

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 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) | | 943675 | MECHANICS BANK | 2 SOUTH MAIN STREET | MANSFIELD | OH | 44902 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Full Service | | 4759315 | CLEAR FORK BRANCH | 65 MAIN STREET | BELLVILLE | OH | 44813 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Full Service | | 3486717 | LEXINGTON BRANCH | 256 EAST MAIN STREET | LEXINGTON | OH | 44904 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Limited Service | | 4099888 | BANK ON THE GO | 2 SOUTH MAIN ST | MANSFIELD | OH | 44902 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Full Service | | 2151504 | MADISON BRANCH | 980 ASHLAND ROAD | MANSFIELD | OH | 44905 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Full Service | | 2151456 | ONTARIO BRANCH | 2103 PARK AVENUE WEST | MANSFIELD | OH | 44906 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Full Service | | 2151483 | SOUTH SIDE BRANCH | 971 LEXINGTON AVENUE | MANSFIELD | OH | 44907 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Full Service | | 4036995 | TRIMBLE ROAD BRANCH | 490 NORTH TRIMBLE ROAD | MANSFIELD | OH | 44906 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Full Service | | 4462334 | SHELBY BRANCH | 140 MANSFIELD STREET | SHELBY | OH | 44875 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |
| OK | | Full Service | | 4908421 | FREE ROAD BRANCH | 674 FREE ROAD | SHILOH | OH | 44878 | RICHLAND | UNITED STATES | Not Required | Not Required | MECHANICS BANK | | 943675 | |

RECEIVED
SCS ADMINISTRATION

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FEDERAL RESERVE BANK
SEP 26 11 11 AM '17

Form FR Y-6
Mechanics Financial Corporation
Fiscal Year Ending
September 30, 2017

Report Item 3: Shareholders

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

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 9-30-17

Shareholders 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 fiscal year ending 9-30-17

| (1) (a) Name & Address (City, State, Country) | (1) (b) Country of Citizenship or Incorporation | (1) (c) Number & Percentage of Each Class of voting securities | (2) (a) Name & Address (City, State, Country) | (2) (b) Country of Citizenship or Incorporation | (3) (c) Number & Percentage of Each Class of voting securities |
|---|---|---|---|---|---|
| Carlton S. Fernyak, TTEE Mansfield, OH USA | USA | 3257 – 7.01% common stock | None | | |
| David R. Hollingsworth Ft Wayne, IN USA | USA | 4640 – 9.99% common stock | | | |
| John H. Siegenthaler Mansfield, OH USA | USA | 3143 – 6.76% common stock | | | |
| Richland Bank, Division of Park National Bank, TTEE Mansfield, OH USA | USA | 2412 – 5.19% common stock | | | |

Form FR Y-6
Mechanics Financial Corporation
Fiscal Year Ending
September 30, 2017

Report Item 4: Insiders

(1), (2), (3) (a)(b)(c) and (4) (a)(b)(c)

| (1) Name (City, State, Country) | (2) Principal Occupation if Other than with Bank Holding Company | (3) (a) Title & Position with Bank Holding Company | (3) (b) Title & Position with Subsidiaries (include names & address of subsidiaries) | (3) (c) Title & Position with other Businesses (include name of other businesses) | (4) (a) Percentage of Voting Shares in Bank Holding Company (shares owned, and shares controlled but not owned) | (4) (b) Percentage of Voting share in subsidiaries (include names of subsidiaries) | (4) (c) 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) |
|---------------------------------------|---|---|--|---|---|--|--|
| Mark E. Masters Lucas, OH USA | N/A | Director, President, Treasurer | Director, President / CEO, Treasurer (Mechanics Bank) Director, President, Treasurer (South Central Park, Inc.) | Director Richland Carrousel Park, Inc. Board Member Richland County Foundation Board Member & Treasurer Richland County Growth Corp Board Member & VP Lucas Community Center Masters Family Farm LLC Managing Member Trustee North Central State College Board Member Richland County Development Group | 1.11% | None | N/A |
| Deborah L. Adams Mansfield, OH USA | N/A | Executive Vice President, Secretary | Executive Vice President, Secretary (Mechanics Bank) | Trustee North Central State College Foundation Board Board Member United Way of Richland County | 0.17% | None | N/A |

| | | | | | | | |
|--|--|----------|------------------------------|--|-------|------|---|
| John C. Fernyak Mansfield, OH USA | President Engwiller Properties | Director | Director (Mechanics Bank) | President Engwiller Properties Treasurer On The Park Fernwood Farms Fernwood Valley Farm Fernwood Meadows Vice Chair Kingwood Center | 0.14% | None | Data may be found in the confidential document |
| Jeffrey S. Gorman Mansfield, OH USA | President / CEO The Gorman Rupp Co. | Director | Director (Mechanics Bank) | President / CEO The Gorman Rupp Co. Director Ohio Chamber of Commerce | 0.57% | None | N/A |
| Justin T. Marotta Mansfield, OH USA | Retired | Director | Director (Mechanics Bank) | Director Richland County Foundation Director Kingwood Center Gardens | 0.10% | None | N/A |
| Thomas N. Riester Mansfield, OH USA | Retired | Director | Director (Mechanics Bank) | N/A | 0.86% | None | N/A |
| W. Thomas Ross Mansfield, OH USA | Retired | Director | Director (Mechanics Bank) | N/A | 4.23% | None | N/A |

| | | | | | | | |
|---|-----------------------------|-------------------|---|--|-------|------|---|
| Deborah M. Schenk Mansfield, OH USA | Retired | Director | Director (Mechanics Bank) Director & Vice President (South Central Park, Inc.) | Member Governance Council OhioHealth MedCentral Hospitals Treasurer Mansfield City Schools Levy Committee Member Mansfield City Schools Treasurer's Financial Advisory Committee | 2.10% | None | N/A |
| John H. Siegenthaler Mansfield, OH USA | Retired | Director Emeritus | Director Emeritus (Mechanics Bank) | Member Board of Directors Lind Media Member Board of Trustees Westbrook Company Member Board of Trustees Richland County Historical Society | 6.76% | None | N/A |
| John L. Siegenthaler Mansfield, OH USA | President Lind Media Co. | Director | Director (Mechanics Bank) | President and Director Lind Media Company Partner, Flats Capital Co. Chair Ohio Health MedCentral Health System Governance Council Director Outdoor Advertising Association of Ohio Director Braintree Business Incubator | 1.81% | None | Data may be found in the confidential document |
| Thomas R. Siegenthaler Mansfield, OH USA | Retired | Director | Director (Mechanics Bank) | N/A | 4.30% | None | N/A |
| | | | | | | | |

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|--|--|----------|------------------------------|---|------|------|---|
| Richard D. Withey III Mansfield, OH USA | President / CEO Mansfield Screw Machine Products, Inc. | Director | Director (Mechanics Bank) | President/CEO Mansfield Screw Machine Products, Inc. General Partner Witco II, Ltd. | .58% | None | Data may be found in the confidential document |
| | | | | | | | |