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.

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, Louis Prichard
Name of the Holding Company Director and Official
President & CEO
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 supply 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
03/24/2016

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 1010831
C.I.

Date of Report (top-tier holding company’s fiscal year-end):
December 31, 2015
Month / Day / Year

None
Reporters Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporters Name, Street, and Mailing Address
Kentucky Bancshares, Inc.
PO Box 157
(Mailing Address of the Holding Company) Street / P.O. Box
Paris KY 40362-0157
City State Zip Code
339 Main St, Paris, KY 40361
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Gregory J Dawson CFO
Name Title
859-988-1303
Area Code / Phone Number / Extension
859-988-1603
Area Code / FAX Number

greg.dawson@kybank.com
E-mail Address
kybank.com
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

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 and 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.

12/2015
For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below:

<table>
<thead>
<tr>
<th>Legal Title of Subsidiary Holding Company</th>
<th>Legal Title of Subsidiary Holding Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</td>
<td>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</td>
</tr>
<tr>
<td>City</td>
<td>City</td>
</tr>
<tr>
<td>State</td>
<td>State</td>
</tr>
<tr>
<td>Zip Code</td>
<td>Zip Code</td>
</tr>
<tr>
<td>Physical Location (if different from mailing address)</td>
<td>Physical Location (if different from mailing address)</td>
</tr>
</tbody>
</table>

12/2012
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.

Submission Procedure
When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.

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 handcopy format or via the FR Y-10 Online application - https://y10online.federalreserve.gov.

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<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 UN/NUM*</th>
<th>Office Number*</th>
<th>Head Office</th>
<th>Head Office ID</th>
<th>RSSD*</th>
<th>Comments</th>
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<td>373115</td>
<td>KENTUCKY BANK</td>
<td>401 MAIN ST</td>
<td>PARIS</td>
<td>KY</td>
<td>40361</td>
<td>BOURBON</td>
<td>UNITED STATES</td>
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<td>CYNTHIANA BRANCH</td>
<td>939 US HIGHWAY 27 SOUTH</td>
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<td>KY</td>
<td>40331</td>
<td>HARRISON</td>
<td>UNITED STATES</td>
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<td>BLOOMSBURG BRANCH</td>
<td>260 BLOOMSBURG PARK OR</td>
<td>GEORGETOWN</td>
<td>KY</td>
<td>40334</td>
<td>SCOTT</td>
<td>UNITED STATES</td>
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<td>101 WEST SHIWTAL WER DRIVE</td>
<td>GEORGETOWN</td>
<td>KY</td>
<td>40334</td>
<td>SCOTT</td>
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<td>LEXINGTON VINE ST BRANCH</td>
<td>360 EAST VINE STREET SUITE 100</td>
<td>LEXINGTON</td>
<td>KY</td>
<td>40507</td>
<td>FAYETTE</td>
<td>UNITED STATES</td>
<td>539321</td>
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<td>RICHMOND</td>
<td>UNITED STATES</td>
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<td>MOREHEAD BRANCH</td>
<td>1500 FIEJSINGBURG ROAD</td>
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<td>ROWAN</td>
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<td>NICHOLASVILLE BRANCH</td>
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<td>1001 GIBSON BAY DRIVE, SUITE 100</td>
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<td>366305</td>
<td>UNIVERSITY BRANCH</td>
<td>600 UNIVERSITY SHOPPING CENTER</td>
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<td>366305</td>
<td>SAWYER ROAD BRANCH</td>
<td>144 SOUTH KY 7</td>
<td>SANDY HOOK</td>
<td>KY</td>
<td>41173</td>
<td>ELIZABETH</td>
<td>UNITED STATES</td>
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<td>VERSALLES BRANCH</td>
<td>320 MARSALLES ROAD</td>
<td>WOODFORD</td>
<td>KY</td>
<td>40333</td>
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<td>UNITED STATES</td>
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<td>WOODSIDE BRANCH</td>
<td>101 EAST MAIN STREET</td>
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<td>KY</td>
<td>40390</td>
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<td>BY-PASS BRANCH</td>
<td>1975 BY-PASS ROAD</td>
<td>WINCHESTER</td>
<td>KY</td>
<td>40391</td>
<td>CLARK</td>
<td>UNITED STATES</td>
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<td>327851</td>
<td>WINCHESTER DOWNS TOWN OFFICE</td>
<td>24 W WINCHESTER AVE</td>
<td>WINCHESTER</td>
<td>KY</td>
<td>40391</td>
<td>CLARK</td>
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</table>
KENTUCKY BANCSHARES, INC.
Y-6
12/31/15

Report Item 1:  Annual Report to Shareholders – SEC Company

Report Item 2:  Organization Chart

\[
\text{Kentucky Bancshares, Inc.} \\
339 \text{ Main Street} \\
\text{Paris, KY 40361} \\
\text{Incorporated in Kentucky}
\]

\[
\text{Kentucky Bank} \\
339 \text{ Main Street} \\
\text{Paris, KY 40361} \\
100\% \text{ owned by Parent} \\
\text{Incorporated in Kentucky}
\]

\[
\text{Kentucky Bancshares Statutory Trust I} \\
339 \text{ Main Street} \\
\text{Paris, KY 40361} \\
100\% \text{ owned by Parent} \\
\text{Incorporated in Kentucky}
\]

\[
\text{KBI Insurance Company, Inc.} \\
101 \text{ Convention Center Drive} \\
\text{Suite 850} \\
\text{Las Vegas, NV 89109} \\
100\% \text{ owned by Parent} \\
\text{Incorporated in Nevada}
\]

\[
\text{KB Special Assets Unit, LLC} \\
339 \text{ Main Street} \\
\text{Paris, KY 40361} \\
100\% \text{ owned by Kentucky Bank} \\
\text{(Managing)} \\
\text{Incorporated in Kentucky}
\]

Note: LEI is N/A unless noted

Report Item 2b:  Domestic Branch Listing

Submitted via email on 3/24/16.
### Report Item 3: Shareholders

<table>
<thead>
<tr>
<th>Name, city and state/country</th>
<th>Country of Citizenship</th>
<th>Number &amp; Percentage of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buckner Woodford IV Paris, KY, USA</td>
<td>USA</td>
<td>180,973 or 6.1% common shares</td>
</tr>
</tbody>
</table>

### Report Item 4: Insiders

<table>
<thead>
<tr>
<th>Name, city and state/country</th>
<th>Principal occupation, if other than with the holding company</th>
<th>Title or position with holding company</th>
<th>Title or position with subsidiaries</th>
<th>Title or position with other businesses</th>
<th>Percentage of voting shares in holding company</th>
<th>Percentage of voting shares in subsidiaries</th>
<th>List names of other companies, if 25 percent or more of its voting securities are held</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Proctor Caudill, Jr. Morehead, KY, USA</td>
<td>Special Projects Manager of Kentucky Bank</td>
<td>Director</td>
<td>Special Projects Manager &amp; Director of Kentucky Bank</td>
<td>Director, Treasurer - Frontier Housing</td>
<td>4.3%</td>
<td>none</td>
<td>BPC, Inc.-25%</td>
</tr>
<tr>
<td>Henry Hinkle Paris, KY, USA</td>
<td>CEO/Treasurer of Hinkle Holding Company, LLC</td>
<td>Director</td>
<td>Director of Kentucky Bank</td>
<td>Member-Hinkle Environmental Services, LLC Member-Kentucky Machinery, LLC Member-Hinkle Construction Services, LLC Member-Hinkle Block and Masonry, LLC</td>
<td>1.5%</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>Betty Long Lexington, KY, USA</td>
<td>Retired</td>
<td>Director</td>
<td>Director of Kentucky Bank</td>
<td>none</td>
<td>0.1%</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>Ted McClain Paris, KY, USA</td>
<td>Insurance Agent</td>
<td>Director</td>
<td>Director of Kentucky Bank</td>
<td>President-Hopewell Company, Inc.</td>
<td>0.1%</td>
<td>none</td>
<td>Hopewell Company, Inc.-40%</td>
</tr>
<tr>
<td>Wes Omohundro Lexington, KY, USA</td>
<td>Controller of The Allen Company</td>
<td>Director</td>
<td>Director of Kentucky Bank</td>
<td>Controller-The Allen Company</td>
<td>0.0%</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>Louis Prichard Lexington, KY, USA</td>
<td>n/a</td>
<td>President &amp; CEO, Director</td>
<td>President &amp; CEO, Director of Kentucky Bank</td>
<td>Director, President-Paris Bourbon County YMCA Board Member-Bluegrass Tomorrow President-Saunier Moving &amp; Storage, Inc.</td>
<td>0.3%</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>Edwin Saunier Winchester, KY, USA</td>
<td>President, Saunier Moving &amp; Storage, Inc.</td>
<td>Director</td>
<td>Director of Kentucky Bank</td>
<td>Owner-Snow Hill Farm</td>
<td>0.2%</td>
<td>none</td>
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</tr>
<tr>
<td>Robert G. Thompson Paris, KY, USA</td>
<td>Farmer &amp; thoroughbred breeder</td>
<td>Director</td>
<td>Director of Kentucky Bank</td>
<td>Director-JB Speed Museum Director-Historic Paris Bourbon County Director-Kentucky Chapter of The Nature Conservancy Treasurer-Kentucky Historic Society Foundation Past Chair-Bluegrass Community Foundation Board Member-Ashland Bourbon County</td>
<td>1.2%</td>
<td>none</td>
<td>none</td>
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<tr>
<td>Woodford Van Meter Lexington, KY, USA</td>
<td>University of Kentucky, Professor of Ophthalmology</td>
<td>Director</td>
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<td>none</td>
<td>6.1%</td>
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<tr>
<td>Buckner Woodford IV Paris, KY, USA</td>
<td>Retired</td>
<td>Director</td>
<td>Director of Kentucky Bank</td>
<td>none</td>
<td>0.2%</td>
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<td>none</td>
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<tr>
<td>Gregory J. Dawson Lexington, KY, USA</td>
<td>[Position not provided]</td>
<td>[Position not provided]</td>
<td>[Position not provided]</td>
<td>[Position not provided]</td>
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</table>