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FR Y-6
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Approval expires November 30, 2019
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Supervision, Regulation and
Credit Department

BTZ
4/3/19

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.

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.

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.

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

December 31, 2018

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

Union Bankshares, Inc.

Legal Title of Holding Company

P.O. Box 667

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

Morrisville Vermont 05661
City State Zip Code

20 Lower Main Street

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Carrie R. Locklin VP - Finance Officer
Name Title

802-888-0462

Area Code / Phone Number / Extension

802-522-2950

Area Code / FAX Number

clocklin@unionbankvt.com

E-mail Address

www.ublocal.com

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

I, David S. Silverman

Name of the Holding Company Director and Official

President and Chief Executive Officer

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

Date of Signature

3/27/2019

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 114940
C.I. _____

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

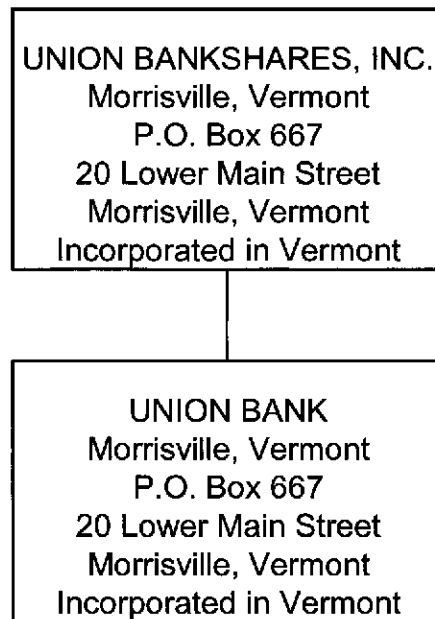
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Union Bankshares, Inc.
Morrisville, Vermont
Fiscal Year Ending December, 31, 2018

Report Item:

1: Union Bankshares, Inc. is a publicly traded company registered with the Securities and Exchange Commission (SEC).

2a: Organizational Chart



Union Bankshares, Inc. is the holding company for Union Bank, which it owns 100%. Union Bank is Union Bankshares' only subsidiary. Union Bank and Union Bankshares, Inc. are located in Morrisville, Vermont.

LEI for Union Bank is 549300I3PFIO81O8JD40.

2b: Submitted via email on 3/27/2019.

Results: A list of branches for your depository institution: UNION BANK (ID_RSSD: 333203).

This depository institution is held by UNION BANKSHARES, INC. (1114940) of MORRISVILLE, VT.

The data are as of 12/31/2018. Data reflects information that was received and processed through 01/06/2019.

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)	333203	UNION BANK	20 LOWER MAIN STREET	MORRISVILLE	VT	05661	LAMOILLE	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	430803	GROVETON BRANCH	3 STATE STREET	GROVETON	NH	03582	COOS	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	4720913	LINCOLN BRANCH	135 MAIN STREET	LINCOLN	NH	03251	GRAFTON	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	3436244	DELLS ROAD BRANCH	263 DELLS ROAD	LITTLETON	NH	03561	GRAFTON	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	442002	LITTLETON BRANCH	76 MAIN STREET	LITTLETON	NH	03561	GRAFTON	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	2133818	NORTH WOODSTOCK BRANCH	155 MAIN STREET, ROUTE 3	NORTH WOODSTOCK	NH	03262	GRAFTON	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	5282070	BERLIN BRANCH	1028 US ROUTE 302	BERLIN	VT	05641	WASHINGTON	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	3820786	DANVILLE BRANCH	421 ROUTE 2	DANVILLE	VT	05828	CALEDONIA	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	3154614	FAIRFAX BRANCH	ROUTE 104 AND 128	FAIRFAX	VT	05454	FRANKLIN	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	2262183	HARDWICK BRANCH	103 VT ROUTE 15 WEST	HARDWICK	VT	05843	CALEDONIA	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	395407	JEFFERSONVILLE BRANCH	5062 VT ROUTE 15	JEFFERSONVILLE	VT	05464	LAMOILLE	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	280709	JOHNSON BRANCH	198 LOWER MAIN WEST	JOHNSON	VT	05656	LAMOILLE	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	2335078	LYNDONVILLE BRANCH	183 DEPOT STREET	LYNDONVILLE	VT	05851	CALEDONIA	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	517704	NORTHGATE PLAZA BRANCH	NORTHGATE PLAZA, ROUTE 100	MORRISVILLE	VT	05661	LAMOILLE	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	3919701	ST ALBANS BRANCH	15 MAPLEVILLE DEPOT	SAINT ALBANS	VT	05478	FRANKLIN	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	464107	PORTLAND STREET BRANCH	325 PORTLAND ST	SAINT JOHNSBURY	VT	05819	CALEDONIA	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	296102	RAILROAD STREET BRANCH	364 RAILROAD STREET	SAINT JOHNSBURY	VT	05819	CALEDONIA	UNITED STATES	Not Required	Not Required	UNION BANK	333203	
OK		Full Service	174901	STOWE BRANCH	47 PARK STREET	STOWE	VT	05672	LAMOILLE	UNITED STATES	Not Required	Not Required	UNION BANK	333203	

UNION BANKSHARES, INC.
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Report Item 3: Shareholders

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

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12-31-2018

(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
Group of Shareholders Affiliated with Richard C. Sargent		
Walter M. Sargent Revocable Trust Morrisville, VT Co-Trustee: Richard C. Sargent Co-Trustee: Stella Sargent Co-Trustee: Hometown Trust	USA	277,358 *** 6.209%
Richard C. Sargent Morrisville, VT	USA	53,537 1.199%
Heather W. Sargent Morrisville, VT	USA	10,430.968 0.234%
Copley Fund Morrisville, VT Co-Trustee: Richard C. Sargent	USA	162,000 ** 3.627%
		503,325.968 11.268%
Group of Shareholders Affiliated with Susan Hovey Mercia		
Susan Hovey Trust Morrisville, VT Co-Trustee and Beneficiary: Susan Hovey Mercia Co-Trustee: Hometown Trust	USA	173,625 3.887%
Susan Hovey Mercia Revocable Trust Hinesburg, VT Settlor and Co-Trustee: Susan Hovey Mercia Co-Trustee: William Mercia	USA	218,634 4.895%
		392,259 8.782%
Group of Shareholders Affiliated with Stella Bialecki Sargent		
Stella Bialecki Sargent Revocable Trust Morrisville, VT 05661 Co-Trustee: Stella Bialecki Sargent	USA	10,950 0.245%
Walter M. Sargent Revocable Trust Morrisville, VT Co-Trustee: Richard C. Sargent Co-Trustee: Stella Sargent Co-Trustee: Hometown Trust	USA	277,358 *** 6.209%
		288,308 6.455%
CEDE & Co. New York, NY	USA	3,431,415 * 76.823%

* Total includes Susan Hovey Trust, Susan Hovey Mercia Revocable Trust and Walter M. Sargent Revocable Trust listed above

** Richard C. Sargent disclaims beneficial ownership of shares.

*** The Walter M. Sargent Revocable Trust is listed for both Richard C. Sargent and Stella Bialecki Sargent.

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 the fiscal year ending 12-31-2018

(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
None		

UNION BANKSHARES, INC.
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Report Item 4: Directors and Officers
(1) (2) (3)(a)(b)(c) and (4)(a)(b)(c)

(1) Names & Address (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 of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Banking Holding Company	(4)(b) Percentage of Voting Shares 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 are held)
Steven J. Bourgeois Swanton, VT USA	Consultant	Director	Director - Union Bank	CEO <u>Strategic Initiatives for Business, LLC</u> Executive Vice President & Treasurer <u>W. J. Greenough Co., Inc.</u> Manager <u>Milton Funding LLC</u>	0.045	N/A	N/A
Dawn D. Bugbee South Hero, VT USA	Chief Financial Officer	Director	Director - Union Bank	Vice President and CFO Green Mountain Power Corporation	0.005	N/A	N/A
Kenneth D. Gibbons Hyde Park, VT USA		Chairman & Director	Chairman & Director - Union Bank	N/A	1.257	N/A	N/A
John M. Goodrich Lyndonville, VT USA	Chief Executive Officer	Director	Director - Union Bank	CEO Superior Technical Ceramics	0.025	N/A	N/A
Nancy C. Putnam Morrisville, VT USA		Director	Director - Union Bank	N/A	0.034	N/A	N/A
Timothy W. Sargent Stowe, VT USA	Attorney	Director	Director - Union Bank	Attorney At Law Sargent Law Office	0.039	N/A	N/A
David S. Silverman Morrisville, VT USA		President & CEO & Director	President & CEO & Director - Union Bank	N/A	0.287	N/A	N/A
John H. Steel Stowe, VT USA	Construction	Director	Director - Union Bank	Owner Steel Construction, Inc.	0.179	N/A	N/A

Report Item 4: Directors and Officers

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

(1) Names & Address (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 of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Banking Holding Company	(4)(b) Percentage of Voting Shares 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 are held)
Schuyler W. Sweet Littleton, NH USA		Director	Director - Union Bank	N/A	0.090	N/A	N/A
Cornelius J. Van Dyke Stowe, VT USA	Search and Rescue	Vice Chairman & Director	Vice Chairman & Director - Union Bank	Search and Rescue Coordinator Vermont Department of Public Safety	0.050	N/A	N/A
Jeffrey G. Coslett Jeffersonville, VT USA		Vice President	Sr. Vice President Union Bank	N/A	0.146	N/A	N/A
Karyn J. Hale Lyndonville, VT USA		Chief Financial Officer	Sr. Vice President Chief Financial Officer Union Bank	N/A	0.020	N/A	N/A
Richard C. Sargent Morrisville, VT USA		N/A	N/A	N/A	11.268	N/A	N/A