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FR Y-6  
OMB Number 7100-0297  
Approval expires December 31, 2015  
Page 1 of 2

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.

Date of Report (top-tier holding company's fiscal year-end):  
December 31, 2013

Month / Day / Year

1. Charles A. Laffitte, Jr.  
Name of the Holding Company Director and Official  
Chairman and CEO

Reporter's Name, Street, and Mailing Address  
Palmetto State Bankshares  
Legal Title of Holding Company  
601 First Street West P O Box 158

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.

(Mailing Address of the Holding Company) Street / P.O. Box  
Hampton, S.C. 29924  
City State Zip Code

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.

Physical location (if different from mailing address)

Person to whom questions about this report should be directed:

Charles A. Laffitte Jr.  
Signature of Holding Company Director and Official

Charles A Laffitte Jr Chairman and CEO  
Name Title

1-8-2014  
Date of Signature

803-943-9678  
Area Code / Phone Number / Extension

803-943-5634  
Area Code / FAX Number

claffitte@palmettostatebank.com  
E-mail Address

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

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 *when prepared*  
 is not prepared

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 *cat*

For Federal Reserve Bank Use Only  
RSSD ID 1076329  
C.I. \_\_\_\_\_

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, N.W., Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.

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Board of Governors of the Federal Reserve System



# FRB RICHMOND

## 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.

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

December 31, 2013

Month / Day / Year

Reporter's Name, Street, and Mailing Address

Palmetto State Bankshares

Legal Title of Holding Company

601 First Street West P O Box 158

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

Hampton, S.C. 29924

City

State

Zip Code

Physical location (if different from mailing address)

I, Charles A. Laffitte, Jr.  
Name of the Holding Company Director and Official  
Chairman and 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.

Person to whom questions about this report should be directed:

Charles A Laffitte Jr Chairman and CEO  
Name Title

803-943-9678

Area Code / Phone Number / Extension

803-943-5634

Area Code / FAX Number

claffitte@palmettostatebank.com  
E-mail Address

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

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.

Charles A Laffitte Jr  
Signature of Holding Company Director and Official

1-8-2014

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 1076329  
C.I. \_\_\_\_\_

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Yes Please identify the report items to which this request applies:

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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, N.W., Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.

REPORT ITEM 2: Organization Chart

PALMETTO STATE BANKSHARES, INC.  
601 FIRST STREET, WEST  
HAMPTON, S. C. 29924  
INCORPORATED IN SOUTH CAROLINA

PALMETTO STATE BANK  
100% OWNED BY PALMETTO STATE BANKSHARES, INC.  
P. O. BOX 158  
HAMPTON, S. C. 29924  
INCORPORATED IN SOUTH CAROLINA

REPORT ITEM 3: Shareholders #Shares 342,474

SHAREHOLDERS:

Montague T. Laffitte	28,432 12.1 percent
Bluffton, S. C.	
H. S. Laffitte	12,967 5.5 percent
Allendale, S. C.	
Ann C. Laffitte	35,224 10.28 percent
Allendale, S C	
Russell L. Laffitte	23,907 6.98 percent
Varnville, S C	
L. Gray Hendersion	22,890 6.68 percent
Hampton, S C	
Charles A. Laffitte, III	23,421 6.83 percent
Varnville, S C	

ALL SHAREHOLDERS AND DIRECTORS ARE US CITIZENS

REPORT ITEM 3.2 – N/A

**PALMETTO STATE BANKSHARES, INC.**

12/31/2013

Name City, State Country	Principal Occupation if other than with Bank Holding Company	Title & Position W/Bank H C	Title & Position with Subsidiaries (include names of subsidiaries	Title & Position with, other Business (include names of o/business	Percentage % Voting shares in Bank Holding Company	List names of other companies partnerships if 25% or more
Charles A. Laffitte, Jr. Hampton, S. C.	N/A	Director Chairman & CEO	Director Chairman & CEO	N/A	0.90%	CALCO 1/3
Henry S. Laffitte Allendale, S C	N/a	Director Vice President	Director Vice President	N/A	5.45%	Calco 1/3
Montague T. Laffitte Bluffton, S. C.	N/A	Director Vice Chairman	Director Vice Chairman	N/A	11.50%	Calco 1/3
J. M. Malinowski Beaufort, S C	N/A	Director Vice President	Director Vice President	N/A	0.02%	
R. M. Laffitte Estill, S C	N/A	Director Vice Chairman	Director Vice Chairman	N/A	4.90%	
S. J. U. Laffitte Estill, S C	N/A	Director President	Director President	N/A	3.70%	
L. Gray Henderson Hampton, S C	N/A	Director Vice President	Director Vice President	N/A	6.68%	Laffitte Family Partnership 32%

Russell L. Laffitte		Director	Director			Laffitte Family Partnership
Hampton, S C	N/A	Vice President	Vice President	N/A	6.98%	32%
Charles A. Laffitte, III						Laffitte Family Partnership
Hampton, S. C.	N/A	Director	Director	N/A	6.83%	32%
James S. Gibson, Jr.	Attorney			Partner		
Beaufort, S C	Howell, Gibson & Hughes Beaufort, S C	Director	Director	Howell, Gibson & Hughes	0.08%	
Dr. M. T. Laffitte, Jr.						
Columbia, S C	Retired Physician	Director	Director	Physician	0.90%	
Dr. H. L. Laffitte, Jr.						
Beaufort, S. C.	Physician	Director	Director	Physician	0.10%	
Ann C. Laffitte						
Allendale, S. C.	N/A				10.30%	

Results: A list of branches for your depository institution: PALMETTO STATE BANK (ID\_RSSD: 277820).  
 This depository institution is held by PALMETTO STATE BANKSHARES, INC. (1076329) of HAMPTON, SC.  
 The data are as of 12/31/2013. Data reflects information that was received and processed through 01/07/2014.

**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	12/31/2013	Full Service (Head Office)	277820	PALMETTO STATE BANK	601 FIRST STREET W	HAMPTON	SC	29924	HAMPTON	UNITED STATES	11537	0	PALMETTO STATE BANK	277820	
OK	12/31/2013	Full Service	785325	ALLENDALE BRANCH	230 MAIN STREET NORTH	ALLENDALE	SC	29810	ALLENDALE	UNITED STATES	9407	9	PALMETTO STATE BANK	277820	
OK	12/31/2013	Limited Service	4252179	ALLENDALE DRIVE IN BRANCH	211 BAY STREET EAST	ALLENDALE	SC	29810	ALLENDALE	UNITED STATES	232746	10	PALMETTO STATE BANK	277820	
OK	12/31/2013	Full Service	667926	BURTON OFFICE	2347 BOUNDARY ST	BEAUFORT	SC	29902	BEAUFORT	UNITED STATES	221587	4	PALMETTO STATE BANK	277820	
OK	12/31/2013	Full Service	530721	BLUFFTON BRANCH	194 BLUFFTON ROAD	BLUFFTON	SC	29910	BEAUFORT	UNITED STATES	242222	2	PALMETTO STATE BANK	277820	
OK	12/31/2013	Full Service	702229	ESTILL BRANCH	85 THIRD STREET	ESTILL	SC	29918	HAMPTON	UNITED STATES	9211	8	PALMETTO STATE BANK	277820	
OK	12/31/2013	Full Service	789529	FAIRFAX BRANCH	127 HAMPTON AVENUE SOUTH	FAIRFAX	SC	29827	ALLENDALE	UNITED STATES	232747	11	PALMETTO STATE BANK	277820	
OK	12/31/2013	Full Service	2824983	LADYS ISLAND BRANCH	145 LADY'S ISLAND DR	LADYS ISLAND	SC	29907	BEAUFORT	UNITED STATES	242224	6	PALMETTO STATE BANK	277820	

PALMETTO STATE BANKSHARES, INC.  
BALANCE SHEET  
(000's omitted)

ASSETS:	Dec. 31, 2012	Dec. 31, 2013
Cash on Deposit - PSB	\$ 1,068	\$ 2,887
Due from - PSB	0	0
Investment - PSB	60,059	62,628
Receivables	0	0
Other Assets	<u>1,252</u>	<u>1,302</u>
TOTAL ASSETS	<u>\$ 62,379</u>	<u>\$ 66,817</u>
LIABILITIES		
Cash Dividend Declared	0	1,370
Accrued Interest Payable	0	0
Due to PSB	0	0
Federal Tax Payable	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	<u>\$ 0</u>	<u>\$ 1,370</u>
Shareholders' Equity:		
Common Stock - Auth. 400,000 shares - par value \$5.00	1,696	1,712
SURPLUS	24,672	25,207
RETAINED EARNINGS	35,473	38,299
UNREALIZED GAIN ON SECURITIES	<u>538</u>	<u>229</u>
TOTAL SHAREHOLDERS' EQUITY	<u>\$ 62,379</u>	<u>\$ 65,447</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 62,379</u>	<u>\$ 66,817</u>