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Approval expires December 31, 2015  
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Board of Governors of the Federal Reserve System

MAR 31 2014



# Annual Report of Holding Companies — FR Y-6 RICHMOND

## 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, Sandra F Tilton

Name of the Holding Company Director and Official  
Senior Vice President

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]  
Signature of Holding Company Director and Official

3/27/14  
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 3299168  
C.I. 3299140

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 HERITAGE BANCSHARES INC

Legal Title of Holding Company

10919 OCEAN HIGHWAY, P O BOX 3788

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

PAWLEYS ISLAND SC 29585

City State Zip Code

Physical location (if different from mailing address)

Person to whom questions about this report should be directed:

SANDRA F TILTON SENIOR VICE PRESIDENT

Name Title

843-237-7776

Area Code / Phone Number / Extension

843-237-7710

Area Code / FAX Number

stilton@palmettoheritagebank.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

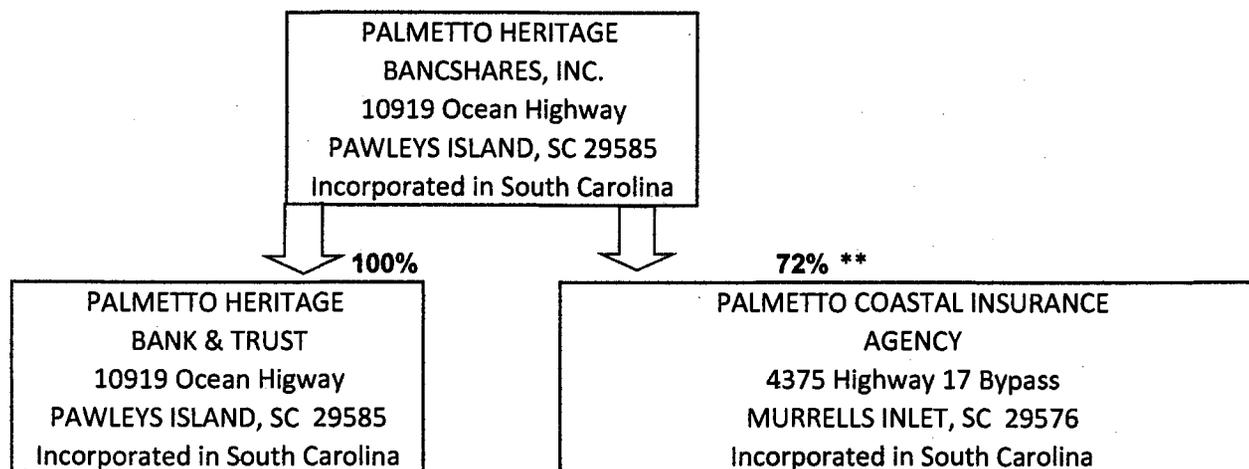
**FORM FR Y-6**  
**PALMETTO HERITAGE BANCSHARES, INC.**  
**PAWLEYS ISLAND, SC**  
**Fiscal Year Ending December 31, 2013**  
**Report Item 2a Organizational Chart**

Report Item 2a

1. The bank holding company will prepared an annual report for its shareholders to be mailed by March 31, 2014.

A 2013 Annual Report will be submitted upon receipt from printer in March 2014.

2. Organizational Chart



Results: A list of branches for your depository institution: PALMETTO HERITAGE BANK & TRUST (ID\_RSSD: 3299168).  
 This depository institution is held by PALMETTO HERITAGE BANCSHARES, INC. (3299140) of PAWLEYS ISLAND, 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		Full Service (Head Office)	3299168	PALMETTO HERITAGE BANK & TRUST	10919 OCEAN HIGHWAY	PAWLEYS ISLAND	SC	29585	GEORGETOWN	UNITED STATES	428856	0	PALMETTO HERITAGE BANK & TRUST	3299168	
OK		Full Service	3797271	MOUNT PLEASANT BRANCH	3102 HIGHWAY 17 N	MOUNT PLEASANT	SC	29466	CHARLESTON	UNITED STATES	478319	1	PALMETTO HERITAGE BANK & TRUST	3299168	
OK		Full Service	4118985	MURRELLS INLET BRANCH	4375 HIGHWAY 17 BYPASS	MURRELLS INLET	SC	29576	GEORGETOWN	UNITED STATES	506050	2	PALMETTO HERITAGE BANK & TRUST	3299168	

FORM FR Y-6  
PALMETTO HERITAGE BANCSHARES INC.  
FISCAL YEAR ENDING DECEMBER 31, 2013

Report Item 4: Insiders

(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	(3)(c) Title & Position with other Businesses	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List names of other companies If 25% or more of voting securities are held
C. Ronald Christmas Georgetown, SC USA	N/A	Director President & CEO	Director Vice Chairman & CEO Palmetto Heritage Bank & Trust	N/A	3.30%	N/A	N/A
Charles R. Lowe Murrells Inlet, SC USA	N/A	N/A	President Palmetto Coastal Insurance Agency Inc	N/A	1.58%	14% Palmetto Coastal Insurance Agency	N/A
Trust U/W Elizabeth A. Shares in Pawleys Island, SC USA	Trust	* Shareholder	N/A	N/A	5.71%	N/A	N/A
Robert G. Lowe Ft Myers, FL USA	Retired	Director	N/A	N/A	10.61%	N/A	N/A
Debra P Lowman Bluffton, SC	Real Estate Marketing	Director	N/A	Marketing Rep	.71%	N/A	N/A
Kalpna Patel Russell, KY USA	Hotel Owner	** Shareholder	N/A	Owner Hampton Inn Ashland, KY (Kapra)	7.50%	N/A	Kapra, Inc 100%
Prakash Patel Russell, KY USA	Doctor	Director	N/A	Part Owner Hampton Inns Ky & WV	7.50%	N/A	SKPR KY1 100% SKPR WV1 60% SKPR WV2 44% SKPR WV4 60%

SKPR KY2 60%  
Adams County Cancer Center 25%

E. Kendall Roy Hilton Head, SC USA	Retired	Director Chairman of the Board	Director Chairman of the Board Palmetto Heritage Bank & Trust	E. Kendall Roy, LLC Hilton Head, SC Owner	8.17%	N/A	E. Kendall Roy, LLC 100%	
Linda B. Roy Hilton Head, SC USA	Retired	*** Shareholder	N/A	N/A	9.41%	N/A	N/A	
Sandra F. Tilton Georgetown, SC USA	N/A	SVP & Secretary	Senior Vice President Secretary Palmetto Heritage Bank & Trust	N/A	0.74%	N/A	N/A	
Thomas J. Wolf Garden City, SC USA	Franchise Owner	**** Shareholder	N/A	Owner McDonalds Franchise Ashland, KY & Huntington, WV	7.94%	N/A	Fifth Ave Broadcasting TJ Wolf Inc Abilene Corp Odessa Corp Carolina Corp E-Jay Enterprises Savannah Corp Memphis Corp Natchez Corp	100% 100% 100% 100% 100% 100% 100% 100%

- \* Voted by Robert G. Lowe, spouse to Elizabeth Lowe
- \*\* Voted with Husband Prakash Patel
- \*\*\* Voted with Husband E Kendall Roy
- \*\*\*\* As an initial shareholder Mr. Wolf will Vote with Mr. Lowe, Dr. Patel  
Dr. Roy and Mr. Christmas on items of importance with Bancshares