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FR Y-6
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Board of Governors of the Federal Reserve System

MAR 31 2014



Annual Report of Holding Companies—FR Y-6

FEDERAL RESERVE BANK 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.

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

December 31, 2013

Month / Day / Year

I, **James M. Stelling**

COPY

Reporter's Name, Street, and Mailing Address

Harbor Bank Group, Inc.

Legal Title of Holding Company

1503 Old Towne Road

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

Charleston

SC

29407

City

State

Zip Code

Name of the Holding Company Director and Official

Chairman

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.

Physical location (if different from mailing address)

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.

Person to whom questions about this report should be directed:

Joseph P. Laferte, Jr.

CFO

Name

Title

843-769-0980

Area Code / Phone Number / Extension

843-852-6429

Area Code / FAX Number

jlaferte@harborbankgroup.com

E-mail Address

www.harborbankgroup.com

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

Signature of Holding Company Director and Official

James M. Stelling
3/18/14

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

338 7896

C.I.

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

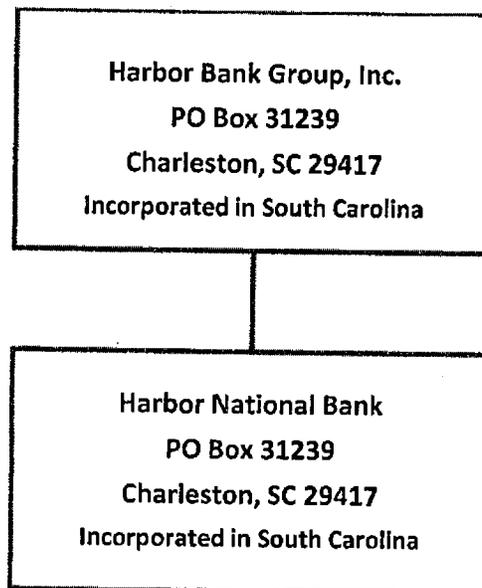
Form FR Y-6

Harbor Bank Group, Inc. (3387896)
PO Box 31239
Charleston, SC 29417-1239
Fiscal Year Ending December 31, 2013

Report Item

1. The bank holding company prepares an annual report for its shareholders. Two copies will be sent under separate cover.

2. Organizational Chart



(Harbor National Bank is 100% owned by Harbor Bank Group, Inc.)

Item 3.1

Security holder that directly or indirectly holds 5% of voting securities at year end:

Charles F. Rivers, III

Charleston, SC

Country of Citizenship: US

Number of Securities with power to vote: 194,348 or 6.03% - These shares are composed of 33,00 shares in an IRA and 161,348 shares of stock options.

Item 3.2

Security holder that directly or indirectly holds 5% of voting securities during the year but not at year end: None

Form FR Y-6
Harbor Bank Group, Inc.
Fiscal Year Ending December 31, 2013

Report Item 4

(1) Names & Address	(2) Principal Occupation if other than Holding Company	(3a) Title & Position with Holding Company	(3b) Title & Position with Subsidiaries	(3c) Title & Position with Other Business	(4a) % of Voting Shares in Holding Company	(4b) % of Voting Shares in Subsidiary	(4c) List names of other companies if 25% or more of voting securities is held
John G.P. Boatwright, Jr Mt. Pleasant, SC	Ophthalmologist	Director	Director	Partner - Carolina Eyecare & Physicians, LLC Director - Physicians Eye Surgery Center LLC MedVision, LLC Prime Sight, LLC CEP Equipment Corporation The First Tee of Greater Charleston SC Junior Golf Association Dantzier Drive, LLC The Country Club of Charleston	0.66%	None	Prime Sight (50%)
Lester A. Butler, Jr. Mt. Pleasant, SC	Retired	Director - Emeritus	Director	Retired - Bank President	0.68%	None	None
Andrew K. Epting, Jr. Meggett, SC	Attorney	Director	Director	President/Owner - Law Offices of Andrew K. Epting Andrew K Epting, LLC Les Voitures, Les Bateaux, et Les Equipements 16 Charlotte St, LLC Liberty & Associates, Partnership You Must Take Your Hat Off Monsac, LLC You Can Leave Your Hat On	1.63%	None	You Can Leave Your Hat On (51%) Les Voitures, Les Bateaux, et Les Equipements (100%) Law Offices of Andrew K. Epting (100%) You Must Take Your Hat Off (51%) Andrew K. Epting, LLC (100%) 16 Charlotte St, LLC (31%) Monsac, LLC (100%)
Robert D. Fairey Johns Island, SC	CEO	Director	Director	President - Trident Construction LLC Clemson Architectural Foundation Board TCC of Charleston, Inc. Phoenix Lending, LLC ICR Properties, LLC	1.36%	None	Trident Construction LLC (39%) TCC of Charleston (38%) ICR Properties, LLC (25%)
C. Allen Gibson, Jr. Charleston, SC	Attorney	Director	Director	Womble, Carlye, Sandridge & Rick LLP CLT International, LLC Matthews Strawberry, LLC Gibson Family Properties, LLC Exchange street Properties, LLC	1.12%		Gibson Family Properties, LLC (40%)
Thomas F. Hartnett Isle of Palms, SC	Appraiser-Broker	Director	Chairman - Harbor National Bank	President - Hartnett Realty Co.	0.51%	None	None
James J. Kerr Johns Island, SC	Real Estate Broker	Director	Director	Chairman - AMCS Director - Star Gospel Mission/Lady of Mercy Outreach Director - Patriots Point Charter Board Member - Home Builders Assoc. MF Builders Trustee - NCMHI Board Member - SAHMA Manor Trust Properties Hickory Nut PK Mall Drive Arrowhead Investments Maybank Center New Mall TINC, Inc Ironwood Rehab Contractors	1.54%	None	AMCS (100%) Manor Trust Properties (80%) Hickory Nut (90%) PK Mall Drive (90%) Arrowhead Investments (60%) Maybank Center (55%) New Mall (100%) Ironwood Rehab Contractors (100%) Perseverance Properties (50%) Palmetto Point (35%) Haven Oaks (31%) River Oaks (31%) Griffin Apartments (60%)

Perseverance Properties
 Palmetto Point
 Haven Oaks
 River Oaks
 Bradford
 Dorchester Garden Apartments
 Greentree
 Griffin Apartments
 Lakeside
 Appian Way

Cynthia Jordan Lowery Charleston, SC	Attorney	Director	Director	Partner - Moore & Van Allen, PLLC	0.86% None	None
James M. Stelling Mt. Pleasant, SC	CEO	Chairman - Harbor Bank Group, Inc.	Director	CEO - The GEL Group, Inc. Porter-Gaud Board of Trustees Charleston Leadership Foundation OSH Properties, LLC Cape Fear Analytical SC LLC Cape Fear Analytical LLC Organic Standard Solution International Action Play Systems, LLC Action Play Systems SC, LLC Cape Fear Properties, LLC Stelling Properties, LLC	1.90% None	Cape Fear Analytical SC, LLC (31.88%) Action Play Systems of SC LLC (80%) Cape Fear Properties LLC (25%) Action Play Systems LLC (26.7%) Stelling Properties, LLC (67.5%)
W. Crayton Walters, III Mt. Pleasant, SC	Harbor Pilot	Director	Director	Partner/Director - Charleston Branch Pilot's Association College of Charleston Stewart Walker Endowment Fund Charleston Navigation Propeller Club of the US Port of Charleston Historic Charleston Foundation Trustee USA Sailing Association	0.75% None	None
Charles F. Rivers III Charleston, SC	President	Director & President	Director & President	CEO - Harbor Bank Group, Inc. Splitbill, SSC Sport Fishing Boat Canterbury House - HUD Project	1.02% None	Splitbill, LLC (60%)
Joseph P. Laferte, Jr. Summerville, SC	CFO	Secretary	CFO	Secretary - Harbor Bank Group, Inc. Child of the Heart	0.51% None	None
					12.54%	

Results: A list of branches for your depository institution: HARBOR NATIONAL BANK (ID_RSSD: 3387926).
 This depository institution is held by HARBOR BANK GROUP, INC. (3387896) of CHARLESTON, 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)	3387926	HARBOR NATIONAL BANK	1503 OLD TOWNE ROAD	CHARLESTON	SC	29407	CHARLESTON	UNITED STATES	442943	0	HARBOR NATIONAL BANK	3387926	
OK		Full Service	3429116	DOWNTOWN CHARLESTON BRANCH	134 MEETING STREET SUITE 201	CHARLESTON	SC	29401	CHARLESTON	UNITED STATES	449870	1	HARBOR NATIONAL BANK	3387926	
OK		Full Service	4439318	FOLLY ROAD BRANCH	329 FOLLY ROAD	CHARLESTON	SC	29412	CHARLESTON	UNITED STATES	Not Required	Not Required	HARBOR NATIONAL BANK	3387926	
OK		Full Service	3880100	HOUSTON NORTHCUTT - MOUNT PLEASANT BRANCH	953 HOUSTON NORTHCUTT BOULEVARD	MOUNT PLEASANT	SC	29464	CHARLESTON	UNITED STATES	492709	2	HARBOR NATIONAL BANK	3387926	