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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.

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.

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
Signature of Holding Company Director and Official

3/12/2015
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.

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

December 31, 2014
Month / Day / Year

none
Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

Palmetto State Bankshares, Inc.
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

same
Physical Location (if different from mailing address)

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

none
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.

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

Item 26

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 12/31/2014. Data reflects information that was received and processed through 01/07/2015.

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	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
		Full Service (Head	277820	PALMETTO STATE BANK	601 FIRST STREET W	HAMPTON	SC	29924	HAMPTON	UNITED STATES	11537	0	PALMETTO STATE BANK	277820	
Closed	6/30/2014	Full Service	459523	ALLENDALE BRANCH	137 PLEASANT STREET	ALLENDALE	SC	29810	ALLENDALE	UNITED STATES	Not Required	Not Required	PALMETTO STATE BANK	277820	
		Full Service	785325	ALLENDALE BRANCH	230 MAIN STREET NORTH	ALLENDALE	SC	29810	ALLENDALE	UNITED STATES	9407	9	PALMETTO STATE BANK	277820	
		Limited Service	4252179	ALLENDALE DRIVE IN	211 BAY STREET EAST	ALLENDALE	SC	29810	ALLENDALE	UNITED STATES	232746	10	PALMETTO STATE BANK	277820	
Closed	6/30/2014	Limited Service	1169922	ALLENDALE DRIVE-IN	414 SOUTH MAIN STREET	ALLENDALE	SC	29810	ALLENDALE	UNITED STATES	Not Required	Not Required	PALMETTO STATE BANK	277820	
Closed	6/30/2014	Full Service	4665694	SEVENTH STREET WEST	200 7TH ST W	ALLENDALE	SC	29827	ALLENDALE	UNITED STATES	Not Required	Not Required	PALMETTO STATE BANK	277820	
		Full Service	667926	BURTON OFFICE	2347 BOUNDARY ST	BEAUFORT	SC	29902	BEAUFORT	UNITED STATES	221587	4	PALMETTO STATE BANK	277820	
		Full Service	530721	BLUFFTON BRANCH	194 BLUFFTON ROAD	BLUFFTON	SC	29910	BEAUFORT	UNITED STATES	242222	2	PALMETTO STATE BANK	277820	
Closed	6/30/2014	Full Service	3284614	BRUNSON BRANCH	36 RAILROAD AVE	BRUNSON	SC	29911	HAMPTON	UNITED STATES	Not Required	Not Required	PALMETTO STATE BANK	277820	
		Full Service	702229	ESTILL BRANCH	85 THIRD STREET	ESTILL	SC	29918	HAMPTON	UNITED STATES	9211	8	PALMETTO STATE BANK	277820	
Closed	6/30/2014	Limited Service	520928	DRIVE-UP BRANCH	355 ALLENDALE FAIRFAX	FAIRFAX	SC	29827	ALLENDALE	UNITED STATES	Not Required	Not Required	PALMETTO STATE BANK	277820	
		Full Service	789529	FAIRFAX BRANCH	127 HAMPTON AVENUE	FAIRFAX	SC	29827	ALLENDALE	UNITED STATES	232747	11	PALMETTO STATE BANK	277820	
		Full Service	2824983	LADYS ISLAND BRANCH	145 LADY'S ISLAND DR	LADYS ISLAND	SC	29907	BEAUFORT	UNITED STATES	242224	6	PALMETTO STATE BANK	277820	

REPORT ITEM 3:	Shareholders	#Shares 342,474

SHAREHOLDERS:

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

ALL SHAREHOLDERS AND DIRECTORS ARE US CITIZENS

REPORT ITEM 3.2

NONE

PALMETTO STATE BANKSHARES, INC.
12/31/2014

(1)	(2)	(3)(a)	(3)(b)	(3)©	(4)(a)	(4)(b)	(4)©
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	25% or more of voting securities are held
Charles A. Laffitte, Jr. Hampton, S. C.	N/A	Director Chairman & CEO	Director Chairman & CEO Palmetto State Bank	N/A	0.90%	none	Calco of SC 33%
Henry S. Laffitte Allendale, S C	N/a	Director Vice President	Director Vice President Palmetto State Bank	N/A	5.45%	none	Calco of SC 33%
Montague T. Laffitte Bluffton, S. C.	N/A	Director Vice Chairman	Director Vice Chairman Palmetto State Bank	N/A	11.50%	none	Calco of SC 33%
J. M. Malinowski Beaufort, S C	N/A	Director Vice President	Director Vice President Palmetto State Bank	N/A	0.02%	none	none
R. M. Laffitte Estill, S C	N/A	Director Vice Chairman	Director Vice Chairman Palmetto State Bank	N/A	4.90%	none	none

S. J. U. Laffitte Estill, S C	N/A	Director President	Director President Palmetto State Bank	N/A	3.70%	none	none
L. Gray Henderson Hampton, S C	N/A	Director Vice President	Director Vice President Palmetto State Bank	N/A	6.68%	none	Laffitte family Partnership 32%
Russell L. Laffitte Hampton, S C	N/A	Director Vice President	Director Vice President Palmetto State Bank	N/A	6.98%	none	Laffitte family Partnership 32%
Charles A. Laffitte, III Hampton, S. C.	N/A	Director	Director Palmetto State Bank	N/A	6.83%	none	Laffitte family Partnership 32%
James S. Gibson, Jr. Beaufort, S C	Attorney Beaufort, S C	Director	Director Palmetto State Bank	Retired Attorney	0.08%	none	none
Dr. M. T. Laffitte, Jr. Columbia, S C	Retired Physician	Director	Director Palmetto State Bank	Retired Physician`	0.90%	none	none
Dr. H. L. Laffitte, Jr. Beaufort, S. C.	Physician	Director	Director Palmetto State Bank	H Lucius Laffitte MD LLC Physician	0.10%	none	H Lucius Laffitte MD LL 100%
Ann C. Laffitte Allendale, S. C.	N/A	N/A	N/A	N/A	10.30%	none	none

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

ASSETS:	Dec. 31, 2014	Dec. 31, 2013
Cash on Deposit - PSB	$ 1,663	$ 2,887
Due from - PSB	0	0
Investment - PSB	66,181	62,628
Receivables	0	0
Other Assets	1,364	1,302
TOTAL ASSETS	$ 69,208	$ 66,817
LIABILITIES		
Cash Dividend Declared	2,061	1,370
Accrued Interest Payable	0	0
Due to PSB	0	0
Federal Tax Payable	0	0
TOTAL LIABILITIES	$ 2,061	$ 1,370
Shareholders' Equity:		
Common Stock - Auth. 400,000 shares - par value $5.00	1,717	1,712
SURPLUS	25,207	25,207
RETAINED EARNINGS	39,616	38,299
UNREALIZED GAIN ON SECURITIES	607	229
TOTAL SHAREHOLDERS' EQUITY	$ 67,147	$ 65,447
TOTAL LIABILITIES & EQUITY	$ 69,208	$ 66,817