

COPY

RECEIVED

Board of Governors of the Federal Reserve System

JUN 10 2015



Annual Report of Holding Companies - FR Y-6

FRB RIC

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, Bruce W. Elder
Name of the Holding Company Director and Official
President, CEO and Director
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
03/25/2015
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 2521509
C.I. _____

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2014

Month / Day / Year
Not Applicable

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

Reporter's Name, Street, and Mailing Address
First South Bancorp, Inc.

Legal Title of Holding Company
1311 Carolina Avenue / P.O. Box 2047

(Mailing Address of the Holding Company) Street / P.O. Box
Washington NC 27889
City State Zip Code

Same
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
William L. Wall SVP/Secretary
Name Title

252-940-5017
Area Code / Phone Number / Extension

252-940-1268
Area Code / FAX Number

bill.wall@firstsouthnc.com
E-mail Address

www.firstsouthnc.com
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

ANNUAL REPORT OF HOLDING COMPANIES - FR Y-6

INDEX

<u>Description</u>	<u>Page</u>
Report Item 1: Annual Report to Shareholders	2
Report Item 2a: Organization Chart	2
Report Item 2b: Domestic Branch Listing	3
Report Item 3: Securities Holders	3
Report Item 4: Insiders	4
Footnotes for Report Items 3 and 4	5

ANNUAL REPORT OF HOLDING COMPANIES - FR Y-6

Report Item 1: Annual Report to Shareholders

First South Bancorp, Inc. is registered with the Securities and Exchange Commission, and its Annual Report to Shareholders is not required to be included with the FR Y-6 report.

Report Item 2a: Organization Chart

Organization chart indicating the Reporter and its interest in all entities:

The organization chart includes full legal names, legal addresses, intercompany ownership and control relationship, percentage ownership by each direct holder, and state of incorporation of each entity.

Holding Company: First South Bancorp, Inc.
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: 56-1999749
State of Incorporation: Virginia

Holding Company interest in all entities:
First South Bank
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: 56-0266599
100% ownership by First South Bancorp, Inc.
State of Incorporation: North Carolina

First South Preferred Trust I
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: 20-6043482
100% ownership by First South Bancorp, Inc.
State of Incorporation: North Carolina

First South Leasing, LLC
220 Creekside Drive
Washington, NC 27889
Federal Tax ID: 56-2266858
100% ownership by First South Bank -
Managing Member
State of Incorporation: North Carolina

DTFS, Inc.
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: 46-1471615
100% ownership by First South Bank
State of Incorporation: North Carolina

FR Y-6 Report Item 2b: Domestic Branch Listing 12-31-2014

Results: A list of branches for your depository institution: FIRST SOUTH BANK (ID_RSSD: 883874).

This depository institution is held by FIRST SOUTH BANCORP, INC. (2521509) of WASHINGTON, NC.

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 Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	883874	FIRST SOUTH BANK	1311 CAROLINA AVENUE	WASHINGTON	NC	27889	BEAUFORT	UNITED STATES	43918	0	FIRST SOUTH BANK	883874	
OK		Full Service	3676974	BUXTON BRANCH	47560 NC HIGHWAY 12	BUXTON	NC	27920	DARE	UNITED STATES	452047	128	FIRST SOUTH BANK	883874	
OK		Full Service	2998398	CHOCOWINY BRANCH	2999 HIGHWAY 17 SOUTH	CHOCOWINY	NC	27817	BEAUFORT	UNITED STATES	283424	110	FIRST SOUTH BANK	883874	
OK		Full Service	3596700	DURHAM BRANCH	4215 UNIVERSITY DRIVE	DURHAM	NC	27707	DURHAM	UNITED STATES	442389	126	FIRST SOUTH BANK	883874	
OK		Full Service	2446170	ELIZABETH CITY BRANCH	604 EAST ERINGHAUS STREET	ELIZABETH CITY	NC	27909	PASQUOTANK	UNITED STATES	283417	100	FIRST SOUTH BANK	883874	
OK		Full Service	53725	ELIZABETH TOWN OFFICE	201 WEST BROAD ST	ELIZABETH TOWN	NC	28337	BLADEN	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2860507	EXECUTIVE PLACE BRANCH	705 EXECUTIVE PLACE	FAYETTEVILLE	NC	28305	CUMBERLAND	UNITED STATES	264169	108	FIRST SOUTH BANK	883874	
OK		Full Service	620976	FAYETTEVILLE BRANCH	241 GREEN STREET	FAYETTEVILLE	NC	28301	CUMBERLAND	UNITED STATES	40760	107	FIRST SOUTH BANK	883874	
OK		Full Service	2841225	GOLDSBORO BRANCH	2801 CASHWELL DR	GOLDSBORO	NC	27534	WAYNE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	3651793	GRANTSBORO BRANCH	11560 NC HIGHWAY 55, SUITE 11	GRANTSBORO	NC	28529	PAMLICO	UNITED STATES	478799	132	FIRST SOUTH BANK	883874	
OK		Full Service	2446219	ARLINGTON BRANCH	301 EAST ARLINGTON BOULEVARD	GREENVILLE	NC	27858	PITT	UNITED STATES	283420	103	FIRST SOUTH BANK	883874	
OK		Full Service	3354094	FIRE TOWER ROAD BRANCH	907 EAST FIRE TOWER ROAD	GREENVILLE	NC	27835	PITT	UNITED STATES	442388	125	FIRST SOUTH BANK	883874	
OK		Full Service	3648122	GREENVILLE BOULEVARD BRANCH	1707 SOUTHEAST GREENVILLE BOULEVARD	GREENVILLE	NC	27858	PITT	UNITED STATES	468533	130	FIRST SOUTH BANK	883874	
OK		Full Service	3676965	HOPE MILLS BRANCH	3103 NORTH MAIN STREET	HOPE MILLS	NC	28348	CUMBERLAND	UNITED STATES	422962	121	FIRST SOUTH BANK	883874	
OK		Full Service	489829	KENANSVILLE OFFICE	104 LIMESTONE ST	KENANSVILLE	NC	28349	DUPLIN	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	4727033	KILL DEVIL HILLS BRANCH OFFICE	3105 NORTH CROATAN HIGHWAY	KILL DEVIL HILLS	NC	27948	DARE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	239220	KINGSTON VERNON AVENUE OFFICE	1900 WEST VERNON AVE	KINSTON	NC	28504	LENOIR	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	3046540	PLAZA BRANCH	2430 HERITAGE STREET	KINSTON	NC	28504	LENOIR	UNITED STATES	363055	118	FIRST SOUTH BANK	883874	
OK		Full Service	2439042	KITTY HAWK BRANCH	4804 NORTH CROATAN HIGHWAY	KITTY HAWK	NC	27949	DARE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2998400	LUMBERTON BRANCH	600 NORTH CHESTNUT ST	LUMBERTON	NC	28358	ROBESON	UNITED STATES	264170	109	FIRST SOUTH BANK	883874	
OK		Full Service	3139880	NORTH ELM OFFICE	3000 NORTH ELM STREET	LUMBERTON	NC	28358	ROBESON	UNITED STATES	363057	119	FIRST SOUTH BANK	883874	
OK		Full Service	2493071	MOREHEAD CITY BRANCH	4913 ARENDELL STREET	MOREHEAD CITY	NC	28557	CARTERET	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	545725	MOUNT OLIVE BRANCH	213 N CHESTNUT STREET	MOUNT OLIVE	NC	28365	WAYNE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2998437	CRAVEN STREET BRANCH	202 CRAVEN ST	NEW BERN	NC	28560	CRAVEN	UNITED STATES	283423	106	FIRST SOUTH BANK	883874	
OK		Full Service	2446198	NEW BERN BRANCH	1725 GLENBURNIE ROAD	NEW BERN	NC	28562	CRAVEN	UNITED STATES	283419	102	FIRST SOUTH BANK	883874	
OK		Full Service	3718490	RALEIGH BRANCH	4800 SIX FORKS ROAD, SUITE 115	RALEIGH	NC	27609	WAKE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2888033	BENVENUE ROAD BRANCH	1378 BENVENUE ROAD	ROCKY MOUNT	NC	27804	NASH	UNITED STATES	266448	114	FIRST SOUTH BANK	883874	
OK		Full Service	2446228	ROCKY MOUNT BRANCH	300 SUNSET AVENUE	ROCKY MOUNT	NC	27804	NASH	UNITED STATES	283421	104	FIRST SOUTH BANK	883874	
OK		Full Service	2888060	SUNSET AVENUE BRANCH	2901 SUNSET AVE	ROCKY MOUNT	NC	27804	NASH	UNITED STATES	266451	115	FIRST SOUTH BANK	883874	
OK		Full Service	2888088	TARBORO OFFICE	100 EAST HOPE LODGE STREET	TARBORO	NC	27886	EDGEcombe	UNITED STATES	205229	112	FIRST SOUTH BANK	883874	
OK		Full Service	606327	WALLACE BRANCH	117 E SOUTHERLAND ST	WALLACE	NC	28466	DUPLIN	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	3139871	JOHN SMALL OFFICE	1328 JOHN SMALL AVENUE	WASHINGTON	NC	27889	BEAUFORT	UNITED STATES	363054	117	FIRST SOUTH BANK	883874	
OK		Full Service	2446189	WASHINGTON BRANCH	300 NORTH MARKET STREET	WASHINGTON	NC	27889	BEAUFORT	UNITED STATES	283418	101	FIRST SOUTH BANK	883874	
OK		Full Service	4522313	WILMINGTON MILITARY CUTOFF ROAD BRANCH	1612 MILITARY CUTOFF ROAD	WILMINGTON	NC	28403	NEW HANOVER	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	235026	WILSON BRANCH	1600 TARBORO STREET WEST	WILSON	NC	27893	WILSON	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	

Report Item 4: Insiders

(1, 2, 3c, 4c)

Name, Address and
Principal Occupation**Directors:**

(3a) Title or Position with First South Bancorp	(3b) Title or Position with First South Bank	(3b) Title or Position with First South Leasing	(3b) Title or Position with DTFS, Inc.	Shares of Common Stock Owned, Controlled or Held with Power to Vote in First South Bancorp	(4a) Percentage of Outstanding Shares (1) (2)	(4b) Percentage Ownership of Subsidiaries (3)	(4c) Names of Other Companies if 25% or More of Voting Securities are Held	
Linley H. Gibbs, Jr. Washington, NC (USA) Retired	Director	Director	N/A	Director	154,794	1.61%	N/A	N/A
Frederick N. Holscher Washington, NC (USA) Attorney/Partner: Rodman, Holscher, Peck & Edwards, P.A. Washington, NC	Director and Chairman	Director and Chairman	N/A	Director	115,915	1.21%	N/A	Rodman, Holscher, Peck & Edwards, P.A. (25% owner) RHPE Rentals, LLC (25% owner)
Frederick H. Howdy Washington, NC (USA) President: Drs. Freshwater and Howdy, P.A. Washington, NC	Director	Director	N/A	Director	203,000	2.12%	N/A	Drs. Freshwater and Howdy, P.A. (50% owner) Tidewater Dental (50% owner)
L. Steven Lee Washington, NC (USA) President and General Manager: Lee Chevrolet, Inc. Washington, NC	Director	Director	N/A	N/A	33,900	0.35%	N/A	Lee Chevrolet, Inc. (100% owner) Down East GMPP (100% owner) Down East GAP (100% owner) SMS Lee Reinsurance (50% owner)
Charles E. Parker, Jr. New Bern, NC (USA) Retired	Director	Director	N/A	N/A	157,440	1.64%	N/A	N/A
Marshall T. Singleton Washington, NC (USA) Retired	Director and Vice Chairman	Director and Vice Chairman	N/A	Director	261,672	2.73%	N/A	N/A
Bruce W. Elder Chocowinity, NC (USA) President and CEO	Director President and Chief Executive Officer	Director President and Chief Executive Officer	N/A	President	29,325	0.31%	N/A	N/A
Directors total ownership					<u>956,046</u>	9.96%		
				4				

Executive Officers Who Are Not Directors:

Scott C. McLean Greenville, NC (USA) Chief Financial Officer	Executive Vice President, Chief Financial Officer	Executive Vice President, Chief Financial Officer	Treasurer	N/A	3,659	0.04%	N/A	N/A
William L. Wall Chocowinity, NC (USA) Secretary	Secretary	Senior Vice President and Secretary	N/A	Secretary	91,278	0.95%	N/A	N/A
Kristie W. Nixon Washington, NC (USA) Treasurer and Controller	Treasurer, Controller and Asst Secretary	Treasurer, Controller and Asst Secretary	Asst Treasurer and Asst Secretary	Treasurer and Asst Secretary	10,972	0.11%	N/A	Gray, Warren and Roberson, Inc. (60% owner)
Executive Officers total ownership					<u>105,909</u>	1.10%		
Total Directors and Executive Officers as a group (10 persons)					<u>1,061,955</u>	11.06%		

Footnotes for Report Items 3 and 4:

(1) For Directors percentage of class based on number of shares of Common Stock outstanding as of December 31, 2014: 9,598,007

(2) For the President and Executive Officers who are not Directors, percentage of class based on 9,598,007 shares of Common Stock outstanding as of December 31, 2014, plus 1,500 stock option and restricted shares vested and exercisable within 60 days of December 31, 2014. 9,599,507

(3) No Director or Executive Officer has any ownership in subsidiaries, as all subsidiaries are 100% owned by First South Bancorp, Inc. or First South Bank pursuant to the Organization Chart listed in Report Item 2a above.