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.

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.

1. Michael W. Robinson
   Name of the Holding Company Director and Official
   EVP
   Title of the Holding Company Director and Official

   We 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 281, that the Reporter and individual consent to public release of all details in the report concerning that individual.

   [Signature of Holding Company Director and Official]

   3/4/2015

   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
   [X] will be sent under separate cover
   [ ] is not prepared

   For Federal Reserve Bank Use Only
   RSSD ID 2916020
   C.I.

   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.

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

   December 31, 2014

   Month / Day / Year

   N/A

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

   Reporter's Name, Street, and Mailing Address
   PeoPLeS Financial Group, Inc.
   801 East Front Street
   SC
   29655-0297

   City
   State
   Zip Code

   Physical Location (if different from mailing address)

   Person to whom questions about this report should be directed:
   Michael W. Robinson
   EVP
   Name
   Title

   Area Code / Phone Number / Extension
   864 348 6181

   Area Code / FAX Number
   864 348 6180

   E-mail Address
   mrobinson@peoplesbanksc.com

   peoPLeSbanksc.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.
   [X] No

   The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

   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.

   10/2014
Report Item

1: a. The BHC is not required to prepare form 10K with the SEC.

1: b. The BHC does prepare an annual report for its shareholders. We will mail two copies when available.

2: a. Organizational Chart

2: b. Domestic branch listing provided to the Federal Reserve Bank.
Results: A list of branches for your depository institution: PEOPLES BANK THE (ID_RSSD: 285928).

This depository institution is held by PEOPLES FINANCIAL GROUP, INC. (LSE: PFG) of IVA, 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.

<table>
<thead>
<tr>
<th>Data Action</th>
<th>Effective Date</th>
<th>Branch Service Type</th>
<th>Branch ID_RSSD</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>County</th>
<th>Country</th>
<th>Fdic UNINUM*</th>
<th>Office Number*</th>
<th>Head Office</th>
<th>Head Office ID_RSSD*</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>PEOPLES BANK THE</td>
<td>285928</td>
<td>801 EAST FRONT STREET</td>
<td>IVA</td>
<td>SC</td>
<td>29665</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>13044</td>
<td>0 PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>CLEMSON BOULEVARD BRANCH</td>
<td>3592770</td>
<td>2901 CLEMSON BOULEVARD</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>23978</td>
<td>3 PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>DOWNTOWN BRANCH</td>
<td>3593398</td>
<td>665 NORTH MAIN STREET</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>22978</td>
<td>2 PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>GREENVILLE STREET BRANCH</td>
<td>3677865</td>
<td>2921 E GREENVILLE ST</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>445127</td>
<td>4 PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>HIGHWAY 24 BRANCH</td>
<td>3723135</td>
<td>8009 WHITEHALL ROAD</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29625</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>462435</td>
<td>5 PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>HOMELAND PARK BRANCH</td>
<td>4721228</td>
<td>3010 SOUTH MAIN ST</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29624</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>23978</td>
<td>3 PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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**Report Item 3: Shareholders**

(1)(a) (l)(b) (1)(c) (2)(a) (2)(b) (2)(c)

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12-31-14

<table>
<thead>
<tr>
<th>(1) (a) Name &amp; Address (City, State, Country)</th>
<th>(1) (b) Country of Citizenship or Incorporation</th>
<th>(1) (c) Number and Percentage of Each Class of Voting Securities</th>
<th>(2) (a) Name &amp; Address (City, State, Country)</th>
<th>(2) (b) Country of Citizenship or Incorporation</th>
<th>(2) (c) Number and Percentage of Each Class of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Linda Alewine Iva, SC</td>
<td>USA</td>
<td>39,064 7.5% Common Stock</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peoples Financial Group ESOP Iva, SC</td>
<td>USA</td>
<td>74,556 14.3% Common Stock</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Names &amp; Address (City, State, Country)</td>
<td>(2) Principal Occupation if other than with Bank Holding Company</td>
<td>(3) (a) Title &amp; Position with Bank Holding Company</td>
<td>(3) (b) Title &amp; Position with Subsidiaries (include names of subsidiaries)</td>
<td>(3) (c) Title &amp; Position with Other Businesses (include names of other businesses)</td>
<td>(4) (a) Percentage of Voting Shares in Bank Holding Company</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>J. R. McGee Iva, SC</td>
<td>N/A</td>
<td>Director &amp; Chairman Vice-President</td>
<td>Director &amp; Chairman (The Peoples Bank)</td>
<td>N/A</td>
<td>1.6%</td>
</tr>
<tr>
<td>Shawn McGee Iva, SC</td>
<td>N/A</td>
<td>Director &amp; President</td>
<td>Director &amp; CEO &amp; President (The Peoples Bank)</td>
<td>N/A</td>
<td>1.5%</td>
</tr>
<tr>
<td>Michael W. Robinson Belton, SC</td>
<td>N/A</td>
<td>Director &amp; Secretary/Treasurer</td>
<td>Director &amp; CFO &amp; Executive VP (The Peoples Bank)</td>
<td>N/A</td>
<td>1.4%</td>
</tr>
<tr>
<td>Mathew W. Thrasher Anderson, SC</td>
<td>Restaurant Business</td>
<td>Director</td>
<td>Director (The Peoples Bank)</td>
<td>Skins, Inc.- Mgr. Thrasher Family Partnership - Ptr. Hudgens Street Partnership - Pr</td>
<td>.1%</td>
</tr>
</tbody>
</table>

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**Form FR Y-6**  
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**Report Item 4: Directors and Officers**

(1) (2) (3) (a) (b) (c) and (4) (a) (b) (c)

<table>
<thead>
<tr>
<th>Names &amp; Address (City, State, Country)</th>
<th>Principal Occupation if other than with Bank Holding Company</th>
<th>Title &amp; Position (include names of subsidiaries)</th>
<th>Title &amp; Position with Subsidiaries Business (include names of other businesses)</th>
<th>Percentage of Voting Shares in Subsidiaries (include names of other companies)</th>
<th>Percentage of Voting Shares in Bank Holding Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>George Sullivan Anderson, SC</td>
<td>Attorney</td>
<td>Director</td>
<td>Partner (McIntosh, Sherard, and Sullivan)</td>
<td>1.3%</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>McIntosh, Sherard and Sullivan 33.3%</td>
</tr>
<tr>
<td>Vance Wells, Jr. Anderson, SC</td>
<td>Mobile Home Sales</td>
<td>Director</td>
<td>Partner (V&amp;V Investments) (Tri-County Mobile Home Sales)</td>
<td>.2%</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>V&amp;V Invest. 50% Tri-County Mobile Home Sales 70%</td>
</tr>
<tr>
<td>Randall Shirley Iva, SC</td>
<td>Owner – 5 &amp; 10 Store</td>
<td>Director</td>
<td>Owner (Brown’s 5 &amp; 10 Variety Store)</td>
<td>1.4%</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Brown’s 5 &amp; 10 100%</td>
</tr>
<tr>
<td>A. Fred Stringer Anderson, SC</td>
<td>Veterinarian-Retired</td>
<td>Director</td>
<td>N/A</td>
<td>3.2%</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>N/A</td>
</tr>
</tbody>
</table>
Form FR Y-6  
December 31, 2014

<table>
<thead>
<tr>
<th>Report Item 4: Directors and Officers</th>
<th>(1) Names &amp; Address (City, State, Country)</th>
<th>(2) Principal Occupation if other than with Bank Holding Company</th>
<th>(3) (a) Title &amp; Position with Bank Holding Company</th>
<th>(3) (b) Title &amp; Position with Subsidiaries (includes names of subsidiaries)</th>
<th>(3) (c) Title &amp; Position with Other Businesses (include names of other businesses)</th>
<th>(4) (a) Percentage of Voting Shares in Bank Holding Company</th>
<th>(4) (b) Percentage of Voting Shares in Subsidiaries (includes names of subsidiaries)</th>
<th>(4) (c) List names of other Companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)</th>
</tr>
</thead>
<tbody>
<tr>
<td>T. E. Dudley Iva, SC</td>
<td>Convenience Store owner</td>
<td>Director</td>
<td>Director</td>
<td>The Peoples Bank Owner</td>
<td>Sav-A-Stop Owner</td>
<td>1.1%</td>
<td>None</td>
<td>Sav-A-Stop 100%</td>
</tr>
<tr>
<td>B. Steve White Anderson, SC</td>
<td>Realtor</td>
<td>Director</td>
<td>Director</td>
<td>The Peoples Bank Owner</td>
<td>All Star Realty Owner</td>
<td>.2%</td>
<td>None</td>
<td>All Star Realty 100%</td>
</tr>
<tr>
<td>Peoples Financial Group ESOP Iva, SC</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>14.3%</td>
<td>None</td>
<td>N/A</td>
</tr>
</tbody>
</table>