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. § 3108(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. Jim Engel
   Name of the Holding Company Director and Official
   President and Chief Executive Officer
   Title of the Holding Company Director and Official
   Name 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, 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 consent or objection to public release of information regarding an individual, that the Reporter and individual consent to public release of all details in the report concerned.

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
RSSID ID: LK6232
C.I.

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

Person to whom questions about this report should be directed:
Kristin Couch
CFO
Name
704-439-4324
Area Code / Phone Number / Extension
704-439-1401
Area Code / FAX Number
kcouch@aquestabank.com
E-mail Address
www.aquestabank.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

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.
Aquesta Financial Holdings, Inc.

Aquesta Financial Holdings, Inc.
Coronelus, NC
Incorporated in North Carolina

Aquesta Bank
Coronelus, NC
Incorporated in North Carolina

Aquesta Insurance Services, Inc.
Coronelus, NC
Incorporated in North Carolina
Results: A list of branches for your holding company, AQUESTA FINANCIAL HOLDINGS, INC. (0466122) of CORNELIUS, NC. The data are as of 12/31/2014. Data reflects information that was received and processed through 04/06/2015.

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 date of 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>State</th>
<th>Branch Service Type</th>
<th>Branch ID_RSSD*</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State Code</th>
<th>County</th>
<th>Country</th>
<th>FDIC UNNUM*</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>4700254</td>
<td>DOWNTOWN CORNELIUS BRANCH</td>
<td>20321 NORTH MAIN STREET, SUITE A</td>
<td>CORNELIUS</td>
<td>NC</td>
<td>28031</td>
<td>Mecklenburg</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>AQUESTA BANK</td>
<td>346636</td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>4392507</td>
<td>DAVISON BRANCH</td>
<td>568 JETTON STREET, SUITE 100</td>
<td>DAVISON</td>
<td>NC</td>
<td>28036</td>
<td>Mecklenburg</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>AQUESTA BANK</td>
<td>346636</td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>4700261</td>
<td>NORTHCROSS BRANCH</td>
<td>2905 HOLLOWAY LANE</td>
<td>HUNTERSVILLE</td>
<td>NC</td>
<td>28078</td>
<td>Mecklenburg</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>AQUESTA BANK</td>
<td>346636</td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>4392525</td>
<td>BRAYLEY SCHOOL ROAD BRANCH</td>
<td>6078 BRAYLEY SCHOOL ROAD</td>
<td>MOOKEESVILLE</td>
<td>NC</td>
<td>28117</td>
<td>SEDGELL</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>AQUESTA BANK</td>
<td>346636</td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>4392514</td>
<td>WILLIAMSON ROAD BRANCH</td>
<td>502 WILLIAMSON ROAD</td>
<td>MOOKEESVILLE</td>
<td>NC</td>
<td>28117</td>
<td>SEDGELL</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>AQUESTA BANK</td>
<td>346636</td>
</tr>
</tbody>
</table>
FRY-6
Report Item 3: Security Holders
(1)(a)(b)(c) and (2)(a)(b)©

Certain security holdings with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending December 31, 2014:

<table>
<thead>
<tr>
<th>Name</th>
<th>County of Citizenship or Incorporation</th>
<th>Number of Each Class of Voting</th>
<th>Percentage of Each Class of Voting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jim Engel</td>
<td>USA</td>
<td>214,000</td>
<td>8.35% of Common Stock</td>
</tr>
<tr>
<td>Cornelius, NC</td>
<td>USA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Security holders not listed in 3(1)(a) through 3(1)© that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ended December 31, 2014:

None
<table>
<thead>
<tr>
<th>Name</th>
<th>City, State</th>
<th>Occupation if Other than Holding Company</th>
<th>Principal Title &amp; Position</th>
<th>(3)(a) Title &amp; Position with subsidiaries (Include name of subsidiaries)</th>
<th>(3)(b) Title &amp; Position with other businesses (Include name of other businesses)</th>
<th>Percentage of Voting Shares in Subsidiaries (incl names of subs)</th>
<th>Percentage of Voting Shares in Holding Company</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jim Engel</td>
<td>Cornelius, NC</td>
<td>n/a</td>
<td>Director &amp; President &amp; CEO</td>
<td>Director - Aquesta Bank President &amp; CEO - Aquesta Bank Director - Aquesta Insurance Services</td>
<td>n/a</td>
<td>8.35%</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>Paul Dougovito</td>
<td>Marblehead, MA</td>
<td>Bank Consultant</td>
<td>Director</td>
<td>Director - Aquesta Bank</td>
<td>Home Loan Investment Bank - Director</td>
<td>2.66%</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>Brian Fletcher</td>
<td>Mooresville, NC</td>
<td>Private Investor</td>
<td>Director</td>
<td>Director - Aquesta Insurance Services</td>
<td>Abaci Capital Advisors LLC - Manager Fletcher Investment Group - Manager Troutman Gateway LLC - Manager Abaci CP I Advisors LLC - Manager</td>
<td>0.31%</td>
<td>none</td>
<td>Abaci Capital Advisors LLC - 25% Fletcher Investment Group - 100% Troutman Gateway LLC - 25% Abaci CP I Advisors LLC - 25%</td>
</tr>
<tr>
<td>Charles Knox</td>
<td>Cornelius, NC</td>
<td>Commercial Real Estate Broker &amp; Developer</td>
<td>Director</td>
<td>Director - AquestaBank</td>
<td>Knox Group, Inc. - President Knox Group Industrial #2, LLC - Member/Manager A.I. Industrial Properties, LLC - Member/Manager KCK South Main, LLC - Member/Manager KM-PPK, LLC - Member/Manager Fox Partners, LLC - Member/Manager</td>
<td>0.47%</td>
<td>none</td>
<td>Knox Group, Inc. - 100% Knox Group Industrial #2, LLC - 40% KM-PPK, LLC - 50% 1213 West Morehead Street, LLC - 33.3%</td>
</tr>
<tr>
<td>Ginger Griffin</td>
<td>Cornelius, NC</td>
<td>Marketing Firm Owner</td>
<td>Director</td>
<td>Director - Aquesta Insurance Services</td>
<td>Ginger Griffin Marketing &amp; Design - Owner</td>
<td>1.69%</td>
<td>none</td>
<td>Ginger Griffin Marketing &amp; Design - 100%</td>
</tr>
<tr>
<td>Craig Larsen</td>
<td>Mooresville, NC</td>
<td>Owner Anti-Aging Center</td>
<td>Director (Chairman)</td>
<td>Director - Aquesta Bank</td>
<td>Revita Holdings LLC - CEO</td>
<td>0.56%</td>
<td>none</td>
<td>Revita Holdings LLC - 100%</td>
</tr>
<tr>
<td>Jim Borders</td>
<td>Cornelius, NC</td>
<td>Owner AC Controls Co. (Vice Chairman)</td>
<td>Director</td>
<td>Director - Aquesta Insurance Services</td>
<td>AC Controls Co. - President JB Associates - Partner JBSB Holding - Partner Borders Real Properties - Partner JQF Properties - Partner</td>
<td>0.94%</td>
<td>none</td>
<td>AC Controls Co. - 50% JB Associates - 100% JBSB Holding - 100% Borders Real Properties - 100% JQF Properties - 100%</td>
</tr>
<tr>
<td>Kristin Couch</td>
<td>Mooresville, NC</td>
<td>n/a</td>
<td>Vice President &amp; Secretary</td>
<td>CFO and Director of HR - Aquesta Bank</td>
<td>n/a</td>
<td>0.13%</td>
<td>none</td>
<td>none</td>
</tr>
</tbody>
</table>