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OMB Number 7100-0297
Approval expires September 30, 2018
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MAR - 8 2016

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 R. Smith III

Name of the Holding Company Director and Official

Chairman of the Board

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 of Holding Company Director and Official

3/1/16

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 2876544
 C.I. _____

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

December 31, 2015

Month / Day / Year

no LEI

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

Reporter's Name, Street, and Mailing Address

HSB Bancorp, Inc.

Legal Title of Holding Company

P.O. Box 59

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

Hebron

MD

21830

City

State

Zip Code

101 N. Main Street, Hebron, MD 21830

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Kimberly T. Thomas

VP/Sec/Treasurer

Name

Title

410-749-1185 1035

Area Code / Phone Number / Extension

410-749-1305

Area Code / FAX Number

kthomas@hebronsavingsbank.com

E-mail Address

www.hebronsavingsbank.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

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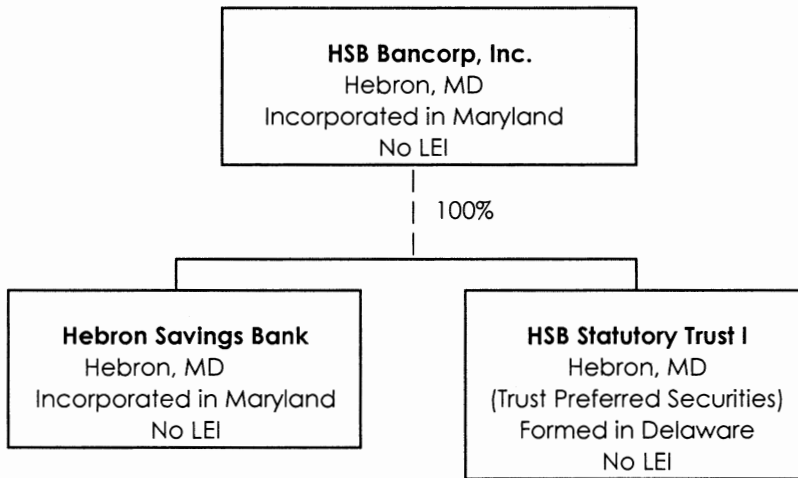
HSB Bancorp, Inc.
Hebron, Maryland
Fiscal Year Ending December 31, 2015

Report Item

1: Annual Report to Shareholders

The bank holding company prepares an annual report for its securities holders.
Enclosed are two copies of the annual report.

2a: Organizational Chart



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HSB Bancorp, Inc.
Fiscal Year Ending December 31, 2015

Report Item 2b: Domestic Branch Listing

Results: A list of branches for your depository institution: HEBRON SAVINGS BANK (ID_RSSD: 780722).

This depository institution is held by HSB BANCORP, INC. (2876544) of HEBRON, MD.

The data are as of 12/31/2015. Data reflects information that was received and processed through 01/07/2016.

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)	780722	HEBRON SAVINGS BANK	101 N. MAIN STREET	HEBRON	MD	21830	WICOMICO	UNITED STATES	5614	0	HEBRON SAVINGS BANK	780722	
OK		Full Service	2241423	CAMBRIDGE BRANCH	6 CEDAR STREET	CAMBRIDGE	MD	21613	DORCHESTER	UNITED STATES	287730	4	HEBRON SAVINGS BANK	780722	
OK		Full Service	4794101	CAMBRIDGE RT 50 BRANCH	2801 OCEAN GATEWAY	CAMBRIDGE	MD	21613	DORCHESTER	UNITED STATES	Not Required	12	HEBRON SAVINGS BANK	780722	
OK		Full Service	3719714	CRISFIELD BRANCH	57 RICHARDSON AVENUE	CRISFIELD	MD	21817	SOMERSET	UNITED STATES	478797	9	HEBRON SAVINGS BANK	780722	
OK		Full Service	3443297	FRUITLAND BRANCH	108 EAST CEDAR LANE	FRUITLAND	MD	21826	WICOMICO	UNITED STATES	452562	8	HEBRON SAVINGS BANK	780722	
OK		Full Service	3077991	PRINCESS ANNE BRANCH	30499 MOUNT VERNON ROAD	PRINCESS ANNE	MD	21853	SOMERSET	UNITED STATES	362053	6	HEBRON SAVINGS BANK	780722	
OK		Full Service	827225	CARROLL STREET BRANCH	415 EAST CARROLL ST	SALISBURY	MD	21804	WICOMICO	UNITED STATES	219028	1	HEBRON SAVINGS BANK	780722	
OK		Full Service	3283868	MT HERMON BRANCH	1310 MT HERMON RD	SALISBURY	MD	21804	WICOMICO	UNITED STATES	430100	7	HEBRON SAVINGS BANK	780722	
OK		Full Service	3078019	QUANTICO SQUARE BRANCH	1008 WEST MAIN STREET	SALISBURY	MD	21801	WICOMICO	UNITED STATES	219029	5	HEBRON SAVINGS BANK	780722	
OK		Full Service	4255161	RIVERSIDE DRIVE BRANCH	543C RIVERSIDE DRIVE	SALISBURY	MD	21801	WICOMICO	UNITED STATES	522235	10	HEBRON SAVINGS BANK	780722	
OK		Full Service	965725	SHARPTOWN BRANCH	303 MAIN ST	SHARPTOWN	MD	21861	WICOMICO	UNITED STATES	204393	2	HEBRON SAVINGS BANK	780722	
OK		Full Service	642222	VIENNA BRANCH	MARKET & RACE STREETS	VIENNA	MD	21869	DORCHESTER	UNITED STATES	204438	3	HEBRON SAVINGS BANK	780722	

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Report Item 3: Securities Holders

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

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12-31-15			Shareholders not listed in (3)(1)(a) through (3)(1)(c) that had ownership, control or holdings of 5% or more with the power to vote during the fiscal year ending 12-31-15		
(1)(a) Name & Address (City, State, Country)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and % of Each Class of Voting Sec's	(2)(a) Name & Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and % of Each Class of Voting Sec's
Victor H. Laws Jr Salisbury, MD, USA	USA	100,000 - 6.47% Common Stock	None		
Charles R. Smith III Hebron, MD, USA	USA	90,764 - 5.87% Common Stock	None		

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Report Item 4: Insiders

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

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include) names of subsidiaries	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting sec's are held (List names of companies and % of voting sec's held)
Charles R. Smith III Hebron, MD, USA	Entrepreneur	Director & Chairman	Director & Chairman Hebron Savings Bank	Owner - Smith Enterprises	5.87%	None	Smith Enterprises (100%)
Mark S. Holloway Salisbury, MD, USA	Retired Realtor	Director	Director Hebron Savings Bank	VP/Regional Sales Dir. Long & Foster Real Est	0.26%	None	N/A
Robert E. Holloway Salisbury, MD, USA	Certified Public Accountant	Director	Director Hebron Savings Bank	Principal Holloway & Marvel, PA	0.18%	None	BBGC Properties (25%) Figgs Landing LLC (50%) Holloway & Marvel, PA (40%) Milford Street Partnership (25%) Quantico Creek Leasing LLC (33%)
Charles W. Kelly Cambridge, MD, USA	Pharmacist	Director	Director Hebron Savings Bank	Pharmacist Craig's Drug Store, Inc.	0.76%	None	Chesapeake Development (66.67%) Craig's Drug Store, Inc. (49.5%)
Victor H. Laws III Salisbury, MD, USA	Attorney	Director	Director Hebron Savings Bank	Principal Laws & Laws, PA	4.25%	None	Downtown Assoc. LLC (50%) Laws & Laws, PA (33%) Marvic Associates LLC (25%)
E. Scott Tawes Princess Anne, MD 21853	Certified Public Accountant	Director	Director Hebron Savings Bank	Principal Scott Tawes & Associates	0.77%	None	11545 Somerset Center (25%) A Tyler, J Dodson & S Tawes (33.33%) A&A Realty (50%) C&S Mortgages (50%) Carson & Tawes Investments (50%) D&T Investments (50%) Evans & Tawes (50%) Hansen & Tawes (50%) Horace & Elwath LLC (50%) Marshall & Tawes (50%) M&S Investments (50%) Nelson & Tawes Farms (50%) Noble & Tawes (50%) Presto Marshall & Tawes (33.33%) Reynolds & Tawes (50%) R's Partners (50%) Scott Tawes & Assoc CPA PA (100%) Tawes Real Estate (50%) Tawes, Nelson & Reynolds (33.33%) Timmy & Scott Parnership (50%) Tyler & Tawes Investments (50%)
Thomas C. Thompson Salisbury, MD, USA	Retired - Insurance Agent	Director	Director Hebron Savings Bank	N/A	1.07%	None	N/A
Edward Q. Wilgus Salisbury, MD, USA	Semi-retired Entrepreneur	Director	Director Hebron Savings Bank	Chairman of the Board The Car Store, Inc.	1.64%	None	Atlantic Financial (50%) Atlantic Pawn LLC (51%) Blue Hen Wholesalers LLC (51%) CAP Management LLC (50%)

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Report Item 4: Insiders

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

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting sec's are held (List names of companies and % of voting sec's held)
							Cars Today LLC (50%) DMAC, LLC (51%) Fox Meadows LLC (50%) Lumberton Land LLC (50%) PAS Mortgage, Inc. (100%) Premier Warranty LLC (50%) Somerset Properties LLC (50%) The Car Store, Inc. (51%) Value Auto Rental LLC (50%) Wilgus Johnson Properties (50%) Wilgus Johnson Properties II (50%) Wilgus Properties (100%) Wilgus Properties II (100%) Wilgus Properties III (100%) Wilgus Rentals LLC (100%) WJM Properties LLC (25%)
Donna K. Defino Parsonsburg, MD, USA	N/A	President	Pres./Chief Exe Ofcr Hebron Savings Bank	N/A	0.10%	None	N/A
W. Trent Pusey Salisbury, MD, USA	N/A	Vice President	EVP/Chief Lending Ofcr Hebron Savings Bank	N/A	0.00%	None	N/A
Cathy D. Brinsfield Salisbury, MD, USA	N/A	Vice President Assistant Secretary	SVP/Compliance/COO Hebron Savings Bank	N/A	0.00%	None	N/A
Kimberly T. Thomas Rhodesdale, MD, USA	N/A	Vice President Secretary/Treasurer	SVP/Chief Fin. Ofcr Hebron Savings Bank	N/A	0.00%	None	N/A
Ellen P. Vandegriff Salisbury, MD, USA	N/A	Vice President	SVP/Retail Lending Hebron Savings Bank	N/A	0.13%	None	N/A