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), 802, 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

   certify 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.

   Michael W. Robinson
   Signature of Holding Company Director and Official

   2/23/2016
   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 2914020

   Date of Report (top-tier holding company’s fiscal year-end):
   December 31, 2015
   Month / Day / Year

   N/A
   Reporter’s Legal Entity Identifier (LEI) (20-Character LEI Code)

   Peoples Financial Group, Inc
   Legal Title of Holding Company

   P.O. Box 297
   (Mailing Address of the Holding Company) Street / P.O. Box
   Iva SC 29655-0297
   City State Zip Code

   801 East Front Street
   Physical Location (if different from mailing address)

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

   864 348 6181
   Area Code / Phone Number / Extension
   864 348 6180
   Area Code / FAX Number

   mrobinson@peoplesbanksc.com
   E-mail Address

   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:
   ☐ No

   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."

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

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

```
100%

Peoples Financial Group, Inc.
No LEI
801 East Front St.
Iva, S.C.
Incorporated in Delaware

50% Managing Member

100%

The Peoples Bank
No LEI
801 East Front St.
Iva, S.C.
Incorporated in S.C.

50%

Peoples Agency, LLC
No LEI
3901 Clemson Blvd.
Anderson, S.C.
Incorporated in S.C.
```

2  b. Domestic branch listing provided to the Federal Reserve Bank.
# FORM FR Y-6
## December 31, 2015

**Report Item 3: Securities holders**

<table>
<thead>
<tr>
<th>Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12-31-15</th>
<th>Shareholders not listed in (3)(1)(a) through (3)(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12-31-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) (a) Name &amp; Address (City, State, Country)</td>
<td>(1) (b) Country of Citizenship or Incorporation</td>
</tr>
<tr>
<td>Linda Alewine Iva, SC</td>
<td>USA</td>
</tr>
<tr>
<td>Peoples Financial Group ESOP Iva, SC</td>
<td>USA</td>
</tr>
</tbody>
</table>
### Form FR Y-6
### December 31, 2015

**Report Item 4: Insiders**

<table>
<thead>
<tr>
<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 (include 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 (include 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>J. R. McGee</td>
<td>N/A</td>
<td>Director &amp; Chairman</td>
<td>Director &amp; Chairman (The Peoples Bank)</td>
<td>N/A</td>
<td>1.6%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Iva, SC</td>
<td></td>
<td>Vice-President</td>
<td>(The Peoples Bank)</td>
<td></td>
<td></td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Shawn McGee</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>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Iva, SC</td>
<td></td>
<td></td>
<td>(The Peoples Bank)</td>
<td></td>
<td></td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Michael W. Robinson</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>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Belton, SC</td>
<td></td>
<td></td>
<td>(The Peoples Bank)</td>
<td></td>
<td></td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Mathew W. Thrasher</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 - Pt</td>
<td>.1%</td>
<td>None</td>
<td>Skin’s Inc. 33% Thrasher Family Partnership – 25% Hudgens Street Partnership – 33%</td>
</tr>
<tr>
<td>Anderson, SC</td>
<td></td>
<td></td>
<td>(The Peoples Bank)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
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<tr>
<td>George Sullivan Anderson, SC</td>
<td>Attorney</td>
<td>Director</td>
<td>Director The Peoples Bank</td>
<td>Partner (McIntosh, Sherard, and Sullivan)</td>
<td>1.3%</td>
<td>None</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>Director The Peoples Bank</td>
<td>Partner (V&amp;V Investments) (Tri-County Mobile Home Sales)</td>
<td>.2%</td>
<td>None</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>Director The Peoples Bank</td>
<td>Owner (Brown’s 5&amp;10 Variety Store)</td>
<td>1.3%</td>
<td>None</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>Director The Peoples Bank</td>
<td>N/A</td>
<td>3.2%</td>
<td>None</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### Form FR Y-6
December 31, 2015

**Report Item 4: Insiders**

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)(a)</th>
<th>(3)(b)</th>
<th>(3)(c)</th>
<th>(4)(a)</th>
<th>(4)(b)</th>
<th>(4)(c)</th>
</tr>
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</tr>
<tr>
<td>T. E. Dudley</td>
<td>Convenience Store owner</td>
<td>Director</td>
<td>Director The Peoples Bank</td>
<td>Sav- A- Stop Owner</td>
<td>1.0%</td>
<td>None</td>
<td>Sav-A-Stop 100%</td>
</tr>
<tr>
<td>Iva, SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Steve White</td>
<td>Realtor</td>
<td>Director</td>
<td>Director The Peoples Bank</td>
<td>All Star Realty Owner</td>
<td>.2%</td>
<td>None</td>
<td>All Star Realty 100%</td>
</tr>
<tr>
<td>Anderson, SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peoples Financial Group ESOP</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>
<tr>
<td>Iva, SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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. (2916020) of IVA, SC.
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.

<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></td>
<td>Full Service (Head Office)</td>
<td>285928</td>
<td>PEOPLES BANK THE</td>
<td>801 EAST FRONT STREET</td>
<td>IVA, SC</td>
<td>29655</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>11044</td>
<td>0</td>
<td>PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>3539770</td>
<td>CLEMSON BOULEVARD BRANCH</td>
<td>3901 CLEMSON BOULEVARD</td>
<td>ANDERSON, SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>239783</td>
<td>3</td>
<td>PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>2583138</td>
<td>DOWNTOWN BRANCH</td>
<td>605 NORTH MAIN STREET</td>
<td>ANDERSON, SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>239782</td>
<td>2</td>
<td>PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>3677869</td>
<td>GREENVILLE STREET BRANCH</td>
<td>1921 E GREENVILLE ST</td>
<td>ANDERSON, SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>445177</td>
<td>4</td>
<td>PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>3721315</td>
<td>HIGHWAY 24 BRANCH</td>
<td>3009 WHITEHALL ROAD</td>
<td>ANDERSON, SC</td>
<td>29626</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>462435</td>
<td>5</td>
<td>PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td></td>
<td>Full Service</td>
<td>4727262</td>
<td>HOMELAND PARK BRANCH</td>
<td>3010 SOUTH MAIN ST</td>
<td>ANDERSON, SC</td>
<td>29624</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>239781</td>
<td>1</td>
<td>PEOPLES BANK THE</td>
<td>285928</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>