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, Robert P. Wellons
Name of the Holding Company Director and Officer
Chairman of the Board
Title of the Holding Company Director and Officer
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 Officer 09/27/2016
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
RSSID ID 1253921
C.I.

Date of Report (top-tier holding company's fiscal year-end):
June 30, 2016

Report's Name, Street, and Mailing Address
First Federal Financial Corporation
P. O. Box 1049
Dunn NC 28335

Physical Location (if different from mailing address)
200 E. Divine Street Dunn, NC 28334

Person to whom questions about this report should be directed:
Lynn Coats CFO, First Federal Bank
Name Title
910-891-2804
Area Code/Phone Number / Extension
910-892-5468
Area Code / FAX Number
lcoats@firstfederalbanknc.com
E-mail Address
N/A
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.
Item 1: Annual Report to Shareholders
FR Y-6
First Federal Financial Corporation
Fiscal Year Ending June 30, 2016

Two copies of the audited financial statements for First Federal Financial Corporation will be forwarded to the Federal Reserve upon completion by the external accounting firm of Carr, Riggs & Ingram.
**Item 2a: Organization Chart**

**First Federal Financial Corporation**
LEI 549300JW8Z4H2SFBH196
Dunn, NC
Incorporated in North Carolina

- 88%

**First Federal Bank**
LEI 5493004W7AEPOP0B0249
Dunn, NC
Incorporated in North Carolina

- 100%

**Diversified Growth and Development Corporation**
No LEI
Raleigh, North Carolina
Incorporated in North Carolina
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://ylOnline.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>Full Service</td>
<td>FIRST FEDERAL BANK</td>
<td>943974</td>
<td>FIRST FEDERAL BANK</td>
<td>200 EAST DIVINE STREET</td>
<td>DUNN</td>
<td>NC</td>
<td>28334</td>
<td>HARNETT</td>
<td>UNITED STATES</td>
<td>43013</td>
<td>0</td>
<td>FIRST FEDERAL BANK</td>
<td>943974</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>ANGIER BRANCH</td>
<td>4161609</td>
<td>ANGIER BRANCH</td>
<td>110 WEST DUPREE ST</td>
<td>ANGIER</td>
<td>NC</td>
<td>27001</td>
<td>HARNETT</td>
<td>UNITED STATES</td>
<td>283368</td>
<td>100</td>
<td>FIRST FEDERAL BANK</td>
<td>943974</td>
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<tr>
<td>OK</td>
<td>Full Service</td>
<td>SUNRISE BRANCH</td>
<td>4161621</td>
<td>SUNRISE BRANCH</td>
<td>105 NORTH JOHNSON ST</td>
<td>RINGSTON</td>
<td>NC</td>
<td>27504</td>
<td>JOHNSTON</td>
<td>UNITED STATES</td>
<td>283370</td>
<td>102</td>
<td>FIRST FEDERAL BANK</td>
<td>943974</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>CLAYTON BRANCH</td>
<td>4161623</td>
<td>CLAYTON BRANCH</td>
<td>442 EAST MAIN ST</td>
<td>CLAYTON</td>
<td>NC</td>
<td>27520</td>
<td>JOHNSTON</td>
<td>UNITED STATES</td>
<td>16018</td>
<td>104</td>
<td>FIRST FEDERAL BANK</td>
<td>943974</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>DUNN BRANCH</td>
<td>4161655</td>
<td>DUNN BRANCH</td>
<td>200 EAST CUMBERLAND STREET</td>
<td>DUNN</td>
<td>NC</td>
<td>28334</td>
<td>HARNETT</td>
<td>UNITED STATES</td>
<td>52063</td>
<td>105</td>
<td>FIRST FEDERAL BANK</td>
<td>943974</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>ERWIN BRANCH</td>
<td>4161667</td>
<td>ERWIN BRANCH</td>
<td>5406 EAST JACKSON BLVD</td>
<td>ERWIN</td>
<td>NC</td>
<td>28334</td>
<td>HARNETT</td>
<td>UNITED STATES</td>
<td>283369</td>
<td>101</td>
<td>FIRST FEDERAL BANK</td>
<td>943974</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>FUQUAY BRANCH</td>
<td>4161668</td>
<td>FUQUAY VARINA</td>
<td>603 NORTH LUDD PARKWAY NORTHEAST</td>
<td>FUQUAY VARINA</td>
<td>NC</td>
<td>27526</td>
<td>WAKE</td>
<td>UNITED STATES</td>
<td>283371</td>
<td>103</td>
<td>FIRST FEDERAL BANK</td>
<td>943974</td>
<td></td>
</tr>
</tbody>
</table>
### Item 3: Securities Holders Owning More than 5% Voting or Controlling Interests

**Form FR Y-6**

**First Federal Financial Corporation**

**Fiscal Year Ending June 30, 2016**

<table>
<thead>
<tr>
<th>Name</th>
<th>City, State</th>
<th>Country of Citizenship</th>
<th>Number of Securities Owned or Controlled</th>
<th>Percentage of Securities Owned or Controlled</th>
<th>Class of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert P. Wellons</td>
<td>Dunn, NC</td>
<td>USA</td>
<td>28,387</td>
<td>12.79%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>John Wellons, Jr.</td>
<td>Fayetteville, NC</td>
<td>USA</td>
<td>28,386</td>
<td>12.79%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>Sylvia Craft</td>
<td>Farmville, NC</td>
<td>USA</td>
<td>28,387</td>
<td>12.79%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>Don Wellons</td>
<td>Dunn, NC</td>
<td>USA</td>
<td>28,359</td>
<td>12.78%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>Beth Wellons Morrice</td>
<td>Roswell, GA</td>
<td>USA</td>
<td>13,573</td>
<td>6.11%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>Gaye Wellons Mashburn</td>
<td>Morehead City, NC</td>
<td>USA</td>
<td>14,378</td>
<td>6.48%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>Kathryn R. Todd</td>
<td>Tallahassee, FL</td>
<td>USA</td>
<td>13,975</td>
<td>6.30%</td>
<td>Common Stock</td>
</tr>
<tr>
<td>Joy Wellons Moore</td>
<td>Morehead City, NC</td>
<td>USA</td>
<td>14,378</td>
<td>6.48%</td>
<td>Common Stock</td>
</tr>
</tbody>
</table>

**Total Outstanding Shares**

169,823

1 - Brothers and Sister of Same Family

2 - Sisters of Same Family

**Item 3.2** There were no individuals/companies that held 5% or more voting securities at some point during the year, but not at end of the year.
<table>
<thead>
<tr>
<th>Name</th>
<th>Principal Occupation if other than with Holding Company</th>
<th>Title &amp; Position with Holding Company</th>
<th>Title &amp; Position with Subsidiary (Include names of subsidiaries)</th>
<th>Percentage of Voting Shares in Holding Company</th>
<th>Percentage of Voting Shares in Subsidiaries (Include names of subsidiaries)</th>
<th>List names of other companies 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>Robert P. Wellons</td>
<td>Real Estate/Construction</td>
<td>Director</td>
<td>Chairman of the Board - First Federal Bank</td>
<td>12.79%</td>
<td>First Federal Bank: Wellons Realty, Inc. 33.5% Wellons Construction, Inc. 36% Freedom Constructors, Inc. 40% Four W's, Inc. 25% Prestige Mortgage Corporation 25% WHM Developers, LLC 25% KR0, LLC 25% Cheyenne Developers, LLC 50% RP Wellons Land &amp; Development, LLC 40% Neathor 30% Aho 25% K P Wellons, CECO, LLC 40%</td>
<td></td>
</tr>
<tr>
<td>Don Wellons</td>
<td>Real Estate</td>
<td>Director</td>
<td>Vice Chairman of the Board</td>
<td>12.78%</td>
<td>First Federal Bank: Wellons Properties, Inc. 100% 2004 Cumberland, LLC 33 1/3% Deep Valley Ranch LLC 30% Prestige Mortgage Corporation 25% Four W's, Inc. 25% Leisure Living - DGW, LLC 100% Southside Self Storage 100% Aho 25% KR0, LLC 25%</td>
<td></td>
</tr>
<tr>
<td>S P Crafts (1)</td>
<td>Real Estate</td>
<td>N/A</td>
<td>N/A</td>
<td>12.79%</td>
<td>Prestige Mortgage Corporation 25% KR0, LLC 25% SRW, LLC 100% Four W's, Inc. 25% Craft Investments, LLC 50% 2004 Cumberland, LLC 33 1/3%</td>
<td></td>
</tr>
<tr>
<td>John Wellons, Jr. (1)</td>
<td>Real Estate</td>
<td>N/A</td>
<td>N/A</td>
<td>12.79%</td>
<td>Prestige Mortgage Corporation 25% KR0, LLC 25% Four W's, Inc. 25% Green Living - 3WM, LLC 100% Aho 25%</td>
<td></td>
</tr>
<tr>
<td>John Wellons, Jr. (1)</td>
<td>Real Estate</td>
<td>N/A</td>
<td>N/A</td>
<td>6.48%</td>
<td>Mashburn Appraisal Group, LLC 30%</td>
<td></td>
</tr>
<tr>
<td>Gaye W. Mashburn (2)</td>
<td>Real Estate</td>
<td>Director-President</td>
<td>Director - First Federal Bank</td>
<td>6.48%</td>
<td>First Federal Bank: Mashburn Trading Post, LLC 25% C.G. W., Inc. 25% 4 Lakes Hill, LLC 25% 109 Ocean Ridge, Inc. 33 1/3% R G J, LLC 33% Mashburn Appraisal Group, LLC 30%</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td>City, State</td>
<td>Principal Title &amp; Position with Holding Company</td>
<td>Title &amp; Position with Subsidiary (Include names of subsidiaries)</td>
<td>Percentage of Voting Shares in Holding Company</td>
<td>Percentage of Voting Shares in Subsidiaries (Include names of subsidiaries)</td>
<td>List names of other companies if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----------------</td>
<td>------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Joy W. Moore (2)</td>
<td>Morehead City, NC USA</td>
<td>Real Estate Director</td>
<td>N/A</td>
<td>9.40%</td>
<td>BTA, LLC 25% Down East Trading Post LLC 25% C.G.W., Inc. 25% 4 Sisters DO LLC 25% 509 Ocean Ridge LLC 25% B.G.K.J., LLC 25% Moore Appraisal Services LLC 50%</td>
<td></td>
</tr>
<tr>
<td>Clement E. Medley</td>
<td>Dunn, NC USA</td>
<td>Bank President</td>
<td>President/CEO First Federal Bank</td>
<td>0.10%</td>
<td>0.54%</td>
<td>First Federal Bank</td>
</tr>
<tr>
<td>Charlene Hamlett</td>
<td>Durham, NC USA</td>
<td>Real Estate</td>
<td>Director - First Federal Bank</td>
<td>0.00%</td>
<td>0.58%</td>
<td>Triangle Investment Company 30% Madison Inc. 50% Cedar Creek Park LLC 100% Chathamtown Henderson LLC 100% CMR Properties LLC 100% Real Estate Associates Inc. 30% REA Olive Square Inc. 30% REA Landon Inc. 30% REA Residential Inc. 30% Rental Partners Inc. 30% Bowling Ventures Inc. 30% REA Recreation Inc. 30% REA Stable Road 30% REA Lake Boone Trail LLC 100% Armwood Lane LLC 30% Riverside Lane LLC 25%</td>
</tr>
</tbody>
</table>

* Principal securities holder, directors and executive officers  
1(1) Brothers and Sisters of Same Family  
(2) Sisters of Same Family