

COPY

Board of Governors of the Federal Reserve System



Annual Report of Holding Company

FR Y-6
RICHMOND

RECEIVED STATISTICS

FR Y-6
OMB Number 7100-0297
Approval expires September 30, 2018

24 2016

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, Robert P Wellons

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

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

RSSD ID 1253821

C.I.

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

June 30, 2016

Month / Day / Year

549300JW8Z4H2SFHB196

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

Reporter's Name, Street, and Mailing Address

First Federal Financial Corporation

Legal Title of Holding Company

P. O. Box 1049

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

Dunn NC 28335

City State Zip Code

200 E. Divine Street Dunn, NC 28334

Physical Location (if different from mailing address)

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:

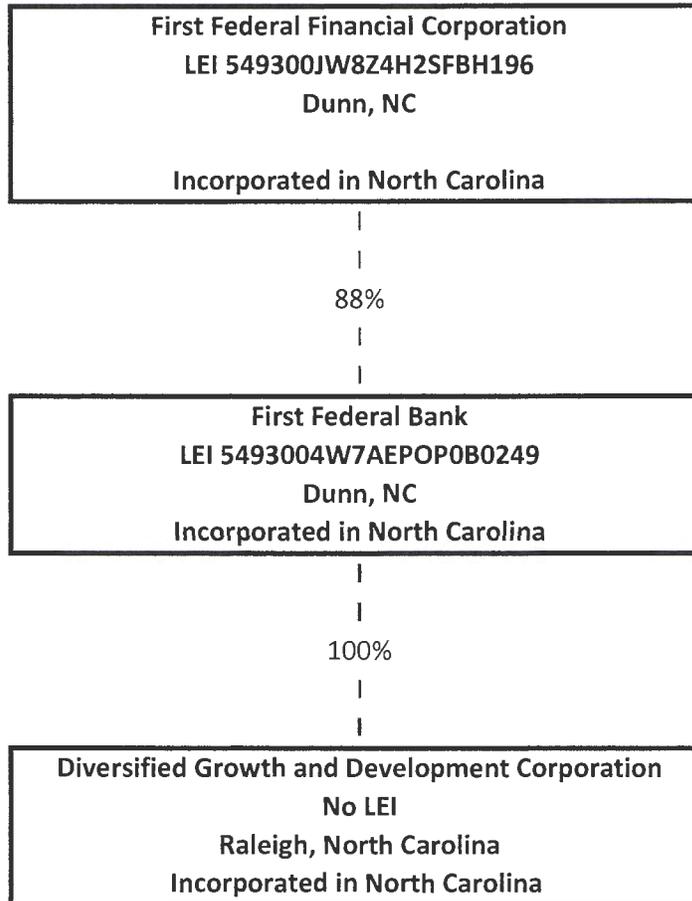
- In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.
- The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

No

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
Form FR Y-6
First Federal Financial Corporation
Fiscal Year Ending June 30, 2016



Results: A list of branches for your depository institution: FIRST FEDERAL BANK (ID_RSSD: 943974).
 This depository institution is held by FIRST FEDERAL FINANCIAL CORPORATION (1253821) of DUNN, NC.
 The data are as of 06/30/2016. Data reflects information that was received and processed through 07/11/2016.

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	FCIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	943974	FIRST FEDERAL BANK	200 EAST DIVINE STREET	DUNN	NC	28334	HARNETT	UNITED STATES	43911	0	FIRST FEDERAL BANK	943974	
OK		Full Service	4161600	ANGIER BRANCH	110 WEST DUPREE ST	ANGIER	NC	27501	HARNETT	UNITED STATES	283368	100	FIRST FEDERAL BANK	943974	
OK		Full Service	4161619	BENSON BRANCH	105 NORTH JOHNSON ST	BENSON	NC	27504	JOHNSTON	UNITED STATES	283370	102	FIRST FEDERAL BANK	943974	
OK		Full Service	4161628	CLAYTON BRANCH	442 EAST MAIN ST	CLAYTON	NC	27520	JOHNSTON	UNITED STATES	360518	104	FIRST FEDERAL BANK	943974	
OK		Full Service	4161655	DUNN BRANCH	200 EAST CUMBERLAND STREET	DUNN	NC	28334	HARNETT	UNITED STATES	520563	105	FIRST FEDERAL BANK	943974	
OK		Full Service	4161637	ERWIN BRANCH	540 EAST JACKSON BLVD	ERWIN	NC	28334	HARNETT	UNITED STATES	283369	101	FIRST FEDERAL BANK	943974	
Ok		Full Service	4161646	FUQUAY BRANCH	603 NORTH JUDD PARKWAY NORTHEAST	FUQUAY VARINA	NC	27526	WAKE	UNITED STATES	283371	103	FIRST FEDERAL BANK	943974	

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

Name City, State Country	Country of Citizenship	Number of Securities Owned or Controlled	Percentage of Securities Owned or Controlled	Class of Voting Securities	
Robert P. Wellons Dunn, NC USA	USA	28,387	12.79%	Common Stock	1
John Wellons, Jr. Fayetteville, NC USA	USA	28,386	12.79%	Common Stock	1
Sylvia Craft Farmville, NC USA	USA	28,387	12.79%	Common Stock	1
Don Wellons Dunn, NC USA	USA	28,359	12.78%	Common Stock	1
Beth Wellons Morrice Roswell, GA USA	USA	13,573	6.11%	Common Stock	2
Gaye Wellons Mashburn Morehead City, NC USA	USA	14,378	6.48%	Common Stock	2
Kathryn R. Todd Tallahassee, FL USA	USA	13,975	6.30%	Common Stock	2
Joy Wellons Moore Morehead City, NC USA	USA	14,378	6.48%	Common Stock	2
Total Outstanding Shares		<u>169,823</u>			

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.

Item 4: Insiders*
Form FR Y-6
First Federal Financial Corporation
Fiscal Year Ending June 30, 2016

Name City, State Country	Principal Occupation if other than with Holding Company	Title & Position with Holding Company	Title & Position with Subsidiary (Include names of subsidiaries)	Title & Position with Other Businesses (include names of other businesses)	Percentage of Voting Shares in Holding Company	Percentage of Voting Shares in Subsidiaries (Include names of subsidiaries)	List names of other companies if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
Robert P. Wellons (1) Dunn, NC USA	Real Estate\Construction	Director Chairman of the Board	Chairman of the Board - First Federal Bank	President - Wellons Realty, Inc. President - Wellons Construction, Inc. President - Freedom Constructors, Inc.	12.79%	0.52% First Federal Bank	Wellons Realty, Inc. 100% Wellons Construction, Inc. 100% Freedom Constructors, Inc. 40% Leisure Living - RPW, LLC 100% Four W's, Inc. 25% Prestige Mortgage Corporation 25% WMJ Developers, LLC 25% KR/O, LLC 25% Cheyenne Developers, LLC 50% RP Wellons Land & Development, LLC 40% Navaho 50% Aho 25% R P Wellons, CECO, LLC 40%
Don Wellons (1) Dunn, NC USA	Real Estate	Director Vice Chairman of the Board	N/A	President - Don G. Wellons Properties, Inc.	12.78%	0.94% First Federal Bank	Don G. Wellons Properties, Inc. 100% 2004 Cumberland, LLC 33 1/3% Deep Valley Ranch LLC 100% Prestige Mortgage Corporation 25% Four W's, Inc. 25% Leisure Living - DGW, LLC 100% Southview Self Storage 100% Aho 25% KR/O, LLC 25%
Sylvia Craft (1) Farmville, NC USA	Real Estate	N/A	N/A	N/A	12.79%	0.48% First Federal Bank	Prestige Mortgage Corporation 25% Aho 25% KR/O, LLC 25% SWS, LLC 100% Four W's, Inc. 25% Craft Investments, LLC 50% 2004 Cumberland, LLC 33 1/3%
John Wellons, Jr. (1) Fayetteville, NC USA	Real Estate	N/A	N/A	N/A	12.79%	0.52% First Federal Bank	2004 Cumberland, LLC 33 1/3% Prestige Mortgage Corporation 25% KR/O, LLC 25% Four W's, Inc. 25% Leisure Living - JHW, LLC 100% Aho 25%
Gaye W. Mashburn (2) Morehead City, NC USA	Real Estate	Director President	Director - First Federal Bank	President - C.G. W., Inc. President - Wellons Enterprises, Inc.	6.48%	0.00%	BTA, LLC 25% Down East Trading Post 1, LLC 25% C.G. W., Inc. 25% 4 Sisters-00, LLC 25% 509 Ocean Ridge, Inc. 33.3% B.G.K.J., LLC 25% Mashburn Appraisal Group, LLC 50%

Item 4: Insiders*
Form FR Y-6
First Federal Financial Corporation
Fiscal Year Ending June 30, 2016

Name City, State Country	Principal Occupation if other than with Holding Company	Title & Position with Holding Company	Title & Position with Subsidiary (Include names of subsidiaries)	Title & Position with Other Businesses (include names of other businesses)	Percentage of Voting Shares in Holding Company	Percentage of Voting Shares in in Subsidiaries (Include names of subsidiaries)	List names of other companies if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
Joy W. Moore (2) Morehead City, NC USA	Real Estate	Director	N/A	Sec\Treas - C.G.W., Inc.	6.48%	0.00%	BTA, LLC 25% Down East Trading Post 1, LLC 25% C.G. W., Inc. 25% 4 Sisters-00, LLC 25% 509 Ocean Ridge, Inc. 33.3% B.G.K.J., LLC 25% Moore Appraisal Services, LLC 50%
Clement E. Medley Dunn, NC USA	Bank President	Director	President\CEO First Federal Bank	N/A	0.10%	0.54% First Federal Bank	N/A
Charlene Hamlett Durham, NC USA	Real Estate	Director	Director - First Federal Bank	Partner - Triangle Investment Company President - Hudson, Inc. Managing Partner - Cedar Creek Park, LLC Managing Partner Charlestown Henderson, LLC Managing Partner CWH Properties, LLC Corporate Secretary Corporate Secretary Corporate Secretary Corporate Secretary Corporate Secretary Corporate Secretary Corporate Secretary	0.00%	0.98% First Federal Bank	Triangle Investment Company 33% Hudson, Inc. 50% Cedar Creek Park, LLC 100% Charlestown Henderson, LLC 100% CWH Properties, LLC 100% Real Estate Associates, Inc. 33% REA Eno Square, Inc. 33% REA Landcom, Inc. 33% REA Residential, Inc. 33% Rental Partners 33% Bowling Ventures, Inc. 33% REA Recreation, Inc. 33% REA Riddle Road 33% REA Lake Boone Trail, LLC 33% Arrowwood Lane, LLC 33% Riverside LNC, LLC 25%

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