

Board of Governors of the Federal Reserve System



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)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). 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, top-tier savings and loan holding companies, and U.S. intermediate 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. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

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

December 31, 2016

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

I, **Davis Fenters**

Kingstree Bancshares, MHC

Name of the Holding Company Director and Official

Legal Title of Holding Company

Chairman

101 E. Mill Street

Title of the Holding Company Director and Official

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

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.

Kingstree

SC

29556

City

State

Zip Code

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.

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Frances C. Garber

Accountant

Name

Title

843-355-5428

Area Code / Phone Number / Extension

843-355-7515

Area Code / FAX Number

frankieg@kingstreefederal.com

E-mail Address

none

Address (URL) for the Holding Company's web page

Signature of Holding Company Director and Official

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 _____

C.I. _____

Is confidential treatment requested for any portion of this report submission? 0=No 1=Yes 0

In accordance with the General Instructions for this report (check only one),

- 1. a letter justifying this request is being provided along with the report
- 2. a letter justifying this request has been provided separately

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

Legal Title of Subsidiary Holding Company

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

City State Zip Code

Physical Location (if different from mailing address)

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City State Zip Code

Physical Location (if different from mailing address)

KINGSTREE BANCSHARES, M.H.C.

Kingstree, SC

Year Ended December 31, 2016



KINGSTREE BANCSHARES, M.H.C.

Kingstree, SC

Year Ended December 31, 2016

Item 2b: Domestic Branch Listing

Name of the branch	Kingstree Federal Savings & Loan Association
Date the branch opened	1926
Street address	101 E. Mill Street, Kingstree, SC 29556
Applicable branch service type	Full service

Form FR Y-6
Kingstree Bancshares, M.H.C.
Year Ended December 31, 2016

Report Item 3: Securities holders
(1)(a)(b)(c) and (2)(a)(b)(c)

Current securities holders with ownership, control or holdings of 5% or more with power to vote as year ending December 31, 2016			Securities holders not listed in 3(1)(a) through 3(1)(c) that had ownership, control or holdings of 5% or more with power to voted during the year ending December 31, 2016		
(1)(a) Name City, State, Country	(1)(b) Country or Citizenship or Incorporation	(1)(c) Number & % of each class of voting securities	(2)(a) Name City, State, Country	(2)(b) Country or Citizenship or Incorporation	(2)(c) Number & % of each class of voting securities
Not applicable			None		

Form FR Y-6
Kingstree Bancshares, M.H.C.
Year Ended December 31, 2016

Report Item 4: Insiders

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

(1) Name, City, State, Country	(2) Principal occupation if other than with holding company	(3)(a) Title & position with holding company	(3)(b) Title & position with subsidiaries (includes sub name)	(3)(c) Title & position with other businesses (include names of other businesses)	(4)(a) % of voting shares in holding company	(4)(b) % of voting shares in subsidiaries (including names of subsidiaries)	(4)(c) List of names of other companies (inc partnerships) if 25% of voting securities are held
Allan B. Carter Kingstree, SC, USA	President	President	President	n/a	none	none	none
William Jarrett Kingstree, SC, USA	Retired	Board chairman	Board chairman	n/a	none	none	none
Davis T. Fenters, III Kingstree, SC, USA	Manager - automobile dealer	Vice chairman	Vice chairman	Manager Longstreet Chevrolet	none	none	none
E. Winslow Welch Kingstree, SC, USA	Owner - insurance agency	Treasurer	Treasurer	Owner - Kingstree Insurance	none	none	none
Kenneth R. Kellahan Kingstree, SC, USA	Entrepreneur	Director	Director	self employed	none	none	none
Jeffrey Lawrimore Hemingway, SC, USA	Chief Financial Officer	Director	Director	Chief Financial Officer Farmers Telephone Co	none	none	none
William M. O'Bryan, Jr. Kingstree, SC, USA	Attorney	Secretary to the Board	Secretary to the Board	O'Bryan and O'Bryan Attorneys at law - partner	none	none	none
Kevin Morris Andrews, SC, USA	Chiroprator	Director	Director	Williamsburg Chiropractic & Wellness Center, Owner	None	none	none

Kingstree Bancshares, M.H.C.

Consolidated Balance Sheet December 31, 2016

Assets

Cash and cash equivalents	\$ 268,710
Interest-bearing deposits in depository institutions	4,951,190
Investments:	
Available for sale, at lower of cost or market	6,562,163
Held to maturity	-
Land	282,423
Loans receivable, net	20,017,890
Other real estate owned	90,000
Premises and equipment, net	110,542
Deferred income tax benefits	45,919
Other assets	<u>1,378,288</u>
Total assets	<u><u>\$ 33,707,125</u></u>

Liabilities and stockholders' equity

Liabilities:	
Deposits	\$ 28,560,418
Advances from borrowers for taxes and insurance	48,933
Other liabilities	<u>45,769</u>
Total liabilities	28,655,120
Equity:	
Retained earnings	<u>5,052,005</u>
Total liabilities and stockholders' equity	<u><u>\$ 33,707,125</u></u>

Kingstree Bancshares, M.H.C.

Consolidated Statement of Income For the Year Ended December 31, 2016

Interest income:	
Interest and fees on loans	\$ 991,043
Interest and dividends on investments	207,606
Other	-
Total interest income	<u>1,198,649</u>
Interest expense:	
Savings deposits	35,336
Time deposits	260,330
Total interest expense	<u>295,666</u>
Net interest income	902,983
Provision for loan losses	<u>201,349</u>
Net interest income after provision for loan losses	<u>701,634</u>
Non-interest income:	
Income on bank owned life insurance	35,347
Gain (loss) on sale of other real estate owned	(13,354)
Other	27,387
	<u>49,380</u>
Non-interest expenses:	
Salaries and employee benefits	440,968
Occupancy	52,233
Advertising	25,233
Data processing service bureau	81,325
Furniture, fixtures and equipment	13,121
Other	189,261
Expenses on other real estate owned	18,341
	<u>820,482</u>
Income (loss) before income taxes	(69,468)
(Provision) benefit for income taxes	<u>41,681</u>
Net income	<u>\$ (27,787)</u>

Kingstree Bancshares, M.H.C.

Consolidated Statement of Comprehensive Income
For the Year Ended December 31, 2016

Net income	\$ (27,787)
Other comprehensive income, net of tax:	
Unrealized losses arising during the period, net of tax	<u>(99,595)</u>
Comprehensive income (loss)	<u>\$ (127,382)</u>