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.

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.

I. Michael W Robinson
Name of the Holding Company Director and Official
EVP
Title of the Holding Company Director and Official

II. EVP
Note: The Annual Report of Holding Companies (including the supporting attachments) for this report has been prepared in accordance 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

Date of Signature
2-24-2017

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
2916820
C.I.

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.

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)

Peoples Financial Group, Inc.
Legal Title of Holding Company
PO Box 297
(Mailing Address of the Holding Company) Street / P.O. Box
Iva SC 29655
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

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

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 "confidential."
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

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

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.
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 data 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 date of closure 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:

<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>2/24/2017</td>
<td>Full Service (Head Office)</td>
<td>285924</td>
<td>PEOPLES BANK THE</td>
<td>801 EAST FRONT STREET</td>
<td>IVA</td>
<td>SC</td>
<td>29655</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>110444</td>
<td>0</td>
<td>PEOPLES BANK THE</td>
<td>285924</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2/24/2017</td>
<td>Full Service</td>
<td>353770</td>
<td>CLEMSON BOULEVARD BRANCH</td>
<td>3901 CLEMSON BOULEVARD</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>110444</td>
<td>3</td>
<td>PEOPLES BANK THE</td>
<td>285924</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2/26/2017</td>
<td>Full Service</td>
<td>25813583</td>
<td>DOWNTOWN BRANCH</td>
<td>455 NORTH MAIN STREET</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>110444</td>
<td>2</td>
<td>PEOPLES BANK THE</td>
<td>285924</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2/27/2017</td>
<td>Full Service</td>
<td>34770969</td>
<td>GREENLEE STREET BRANCH</td>
<td>1221 E GREENLEE ST</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29621</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>110444</td>
<td>4</td>
<td>PEOPLES BANK THE</td>
<td>285924</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2/28/2017</td>
<td>Full Service</td>
<td>37719135</td>
<td>HIGHWAY 24 BRANCH</td>
<td>3020 WHITEHALL ROAD</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29626</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>110444</td>
<td>5</td>
<td>PEOPLES BANK THE</td>
<td>285924</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>2/28/2017</td>
<td>Full Service</td>
<td>47272281</td>
<td>HOMELAND PARK BRANCH</td>
<td>3010 SOUTH MAIN ST</td>
<td>ANDERSON</td>
<td>SC</td>
<td>29624</td>
<td>ANDERSON</td>
<td>UNITED STATES</td>
<td>110444</td>
<td>1</td>
<td>PEOPLES BANK THE</td>
<td>285924</td>
<td></td>
</tr>
</tbody>
</table>
**Report Item 3: Securities holders**

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

<table>
<thead>
<tr>
<th>Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12-31-16</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 12-31-16</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>
<tr>
<td>Report Item 4: Insiders</td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>(1) Names &amp; Address (City, State, Country)</td>
<td>(2) Principal Occupation if other than with Bank Holding Company</td>
</tr>
<tr>
<td>J. R. McGee Iva, SC</td>
<td>N/A</td>
</tr>
<tr>
<td>Shawn McGee Iva, SC</td>
<td>N/A</td>
</tr>
<tr>
<td>Michael W. Robinson Belton, SC</td>
<td>N/A</td>
</tr>
<tr>
<td>Mathew W. Thrasher Anderson, SC</td>
<td>Restaurant Business</td>
</tr>
</tbody>
</table>
# Form FR Y-6
## December 31, 2016

**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>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>1.2%</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**

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

<table>
<thead>
<tr>
<th>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>T. E. Dudley Iva, SC</td>
<td>Convenience Store owner</td>
<td>Director</td>
<td>Director The Peoples Bank</td>
<td>Sav-A-Stop Owner</td>
<td>.02%</td>
<td>None</td>
<td>Sav-A-Stop 100%</td>
</tr>
<tr>
<td>B. Steve White Anderson, SC</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>Peoples Financial Group ESOP Iva, SC</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>14.9%</td>
<td>None</td>
<td>N/A</td>
</tr>
</tbody>
</table>