

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

549300IGTAG3ZXKC7O06

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

Reporter's Name, Street, and Mailing Address

**Entegra Financial Corp.**

Legal Title of Holding Company

P.O. Box 1559

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

Franklin NC 28744

City State Zip Code

14 One Center Court, Franklin, NC 28734

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Lisa Marinelli SVP & Controller

Name Title

864/255-9035/5028

Area Code / Phone Number / Extension

864/255-9037

Area Code / FAX Number

lmarinelli@entegrabank.com

E-mail Address

www.entegrabank.com

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

I, Roger Plemens

Name of the Holding Company Director and Official

President and Director

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

3-27-17

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.*

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Legal Title of Subsidiary Holding Company

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

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City State Zip Code

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Physical Location (if different from mailing address)

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City State Zip Code

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Physical Location (if different from mailing address)

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ANNUAL REPORT OF BANK HOLDING COMPANIES - FR Y-6 AS OF December 31, 2016

ENTEGRA FINANCIAL CORP  
14 One Center Court  
Franklin, NC 28734

BHC NUMBER: 2427665

**Report Item 1: Annual Report to Shareholders**

The Bank Holding Company mails its Form 10-K in lieu of an annual report to shareholders.  
This document can be found at [www.sec.gov](http://www.sec.gov)

**Report Item 2a: Organization Chart**

See attached Organizational Chart.

**Report Item 2b: Domestic Branch Listing**

See attached Domestic Branch Listing.

**Report Item 3: Shareholders**

3.1 See attached listing of 5% or more securities holders.

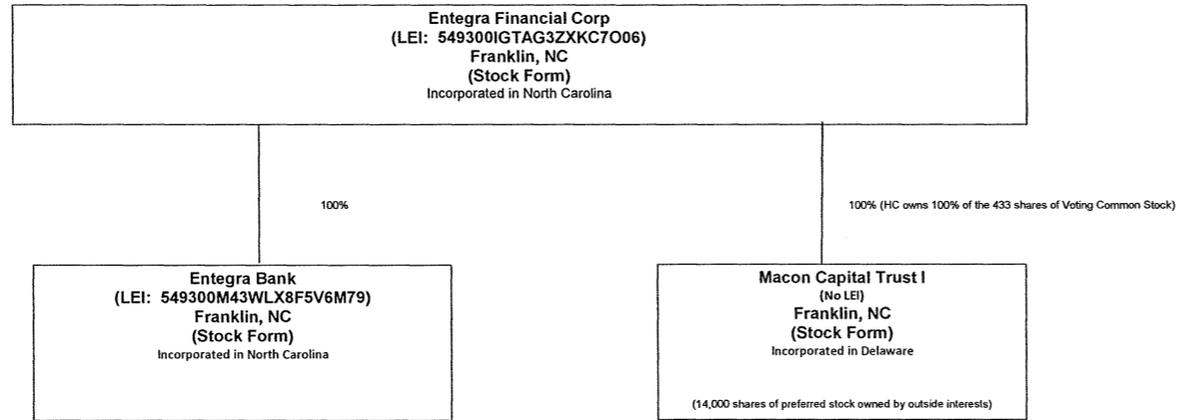
3.2 None.

**Report Item 4: Insiders**

See attached Directors and Executive Officers list.

Form FR Y-6  
Entegra Financial Corp  
Franklin, NC  
Fiscal Year Ending December 31, 2016

Report Item  
2a. Organizational Chart



Entegra Financial Corp's only business is to own Entegra Bank. Entegra Bank is a wholly owned subsidiary of Entegra Financial Corp as shown in the organization chart above. Macon Capital Trust I is a subsidiary of Entegra Financial Corp created to issue Trust Preferred Securities. Entegra Financial Corp owns 100% of the 433 shares of common stock issued by the Trust. 14,000 shares of Preferred Stock issued by the Trust are owned by outside interests.

**Report Item 2a - Organizational Chart**

Organization Chart for:

**ENTEGR FINANCIAL CORP (FRANKLIN, NC) - ID\_RSSD 2427665**  
 Structure as of 12/31/2016

Selection Rules for Chart:

- FR Y-10 Regulated Companies
- No Branches Included

Chart created by Lisa Marinelli on 03/24/2017

Notes:

- \* Institutions Matching Selection Rule
- + For purposes of Regulation Y, the top-tier reporter's ownership level in this banking organization does not meet the definition of "control"; however, the ownership level does meet the the FR Y-10 reportability criteria as this banking relationship is regulated by the Federal Reserve.
- ^ Although this relationship is not governed by U.S. banking statues, it is included because it is of interest to the Federal Reserve.
- @ Parent Seq Num represents the hierarchical level where the company in Sequence Num 1 is level 0, its offspring are level 1, and its indirect offspring are 2 or higher.
- \*\* Primary Activity Code, Primary Activity Description, Legal Authority Code, Relationship Basis , and Equity Percentage are only applicable for companies.

As Of Date	Sequence Num	Parent Seq Num@	ID_RSSD	Legal/Popular Name	City	State/Province	State Abbreviation	Country Name	State/Country Inc	Entity Type	Entity Type Description	Primary Activity Code**	Primary Activity Description**	Legal Authority Code(s)**	Voting Equity Percentage**	Other Relationship Basis	Other Interest Percentage
12/31/2016	1		2427665	ENTEGR FINANCIAL CORP*	FRANKLIN	NORTH CAROLINA	NC	UNITED STATES	NORTH CAROLINA	BHC	BANK HOLDING COMPANY	551111	OFFICES OF BANK HOLDING COMPANIES				
12/31/2016	2	1	239275	ENTEGR BANK*	FRANKLIN	NORTH CAROLINA	NC	UNITED STATES	NORTH CAROLINA	SSB	STATE SAVINGS BANK	52211	COMMERCIAL BANKING	7	100		
12/31/2016	3	1	3234217	MACON CAPITAL TRUST I*	FRANKLIN	NORTH CAROLINA	NC	UNITED STATES	DELAWARE	DEO	DOMESTIC ENTITY OTHER	52599	OTHER FINANCIAL VEHICLES	17	100		

Total Number of Entities in the Tree: 3

**Results:** A list of branches for your depository institution: **ENTEGRA BANK (ID\_RSSD: 239275)**.  
 This depository institution is held by **ENTEGRA FINANCIAL CORP. (2427665) of FRANKLIN, NC**.  
 The data are as of **12/31/2016**. Data reflects information that was received and processed through **01/10/2017**.

**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	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	239275	ENTEGRA BANK	50 WEST MAIN STREET	FRANKLIN	NC	28734	MACON	UNITED STATES	44279	0	ENTEGRA BANK	239275	
OK		Full Service	3540963	BREVARD BRANCH	2260 ASHEVILLE HIGHWAY	BREVARD	NC	28712	TRANSYLVANIA	UNITED STATES	284904	105	ENTEGRA BANK	239275	
OK		Full Service	3539734	CASHIERS BRANCH	500 US HIGHWAY 64 EAST	CASHIERS	NC	28717	JACKSON	UNITED STATES	419293	108	ENTEGRA BANK	239275	
OK		Full Service	3677832	COLUMBUS BRANCH	160 W MILLS ST	COLUMBUS	NC	28722	POLK	UNITED STATES	465760	111	ENTEGRA BANK	239275	
OK		Full Service	2439798	FRANKLIN HOLLY SPRINGS PLAZA BRAN	30 HYATT ROAD	FRANKLIN	NC	28734	MACON	UNITED STATES	284900	101	ENTEGRA BANK	239275	
OK		Full Service	3539743	HENDERSONVILLE - EASTSIDE BRANCH	1617 SPARTANBURG HIGHWAY	HENDERSONVILL	NC	28792	HENDERSON	UNITED STATES	284905	106	ENTEGRA BANK	239275	
OK		Full Service	3539752	HENDERSONVILLE - MAIN BRANCH	640 NORTH MAIN STREET	HENDERSONVILL	NC	28792	HENDERSON	UNITED STATES	284903	104	ENTEGRA BANK	239275	
OK		Full Service	2537050	HIGHLANDS BRANCH	473 CAROLINA WAY	HIGHLANDS	NC	28741	MACON	UNITED STATES	284901	102	ENTEGRA BANK	239275	
OK		Full Service	2439789	MURPHY BRANCH	12 PEACHTREE STREET	MURPHY	NC	28906	CHEROKEE	UNITED STATES	284899	100	ENTEGRA BANK	239275	
OK		Full Service	3709498	SALUDA BRANCH	108 EAST MAIN STREET	SALUDA	NC	28773	POLK	UNITED STATES	478575	112	ENTEGRA BANK	239275	
OK		Full Service	2537069	SYLVA BRANCH	498 EAST MAIN STREET	SYLVA	NC	28779	JACKSON	UNITED STATES	357731	107	ENTEGRA BANK	239275	
OK		Full Service	3620913	WAYNESVILLE BRANCH	2045 S. MAIN STREET	WAYNESVILLE	NC	28786	HAYWOOD	UNITED STATES	Not Required	Not Required	ENTEGRA BANK	239275	
OK		Full Service	3649893	ANDERSON BRANCH	602 NORTH MAIN STREET	ANDERSON	SC	29621	ANDERSON	UNITED STATES	Not Required	Not Required	ENTEGRA BANK	239275	
OK		Full Service	287324	CHESNEE BRANCH	110 SOUTH ALABAMA AVENUE	CHESNEE	SC	29323	SPARTANBURG	UNITED STATES	Not Required	Not Required	ENTEGRA BANK	239275	
OK		Full Service	4971630	ROPER MOUNTAIN ROAD	501 ROPER MOUNTAIN ROAD	GREENVILLE	SC	29615	GREENVILLE	UNITED STATES	Not Required	Not Required	ENTEGRA BANK	239275	

**Form FR Y-6**  
**Entegra Financial Corp**  
**For the Year Ending 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 of year ending 12/31/16:

<i>(1)(a)</i> Name City, State, Country	<i>(1)(b)</i> Country of citizenship or Incorporation	<i>(1)(c)</i> Number and percentage of Each class of voting securities
EJF Capital LLC Arlington, VA, USA	USA	614,106 - 9% Common Stock
FIAM LLC Boston, MA, USA	USA	579,118 - 9% Common Stock

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 vote during the fiscal year ending 12/31/16:

<i>(2)(a)</i> Name City, State, Country	<i>(2)(b)</i> Country of citizenship or Incorporation	<i>(2)(c)</i> Number and percentage of Each class of voting securities
None		

(1) Name and Address	(2) Principal Occupation	(3.a) Title/Position with Holding Company	(3.b) Title/Position with/Direct & Indirect Subsidiaries	(3.c) Title/Position with Other Businesses(*)	(4.a) Percentage of Voting Shares	(4.b) Percentage of Voting Shares in Subsidiaries	(4.c) List Names of Other Companies if 25% or More of Voting Securities are held
Stan Jeffress Franklin, NC, USA	Retired	Vice Chairman of Board	Director - Entegra Bank	None	0.48	N/A	None
Roger Plemens Franklin, NC, USA	N/A	President/Director	President/CEO/Director - Entegra Bank & President - Entegra Services, Inc.	Director - Cardinal Title Center, LLC Director - Western Carolina University Foundation Member - Macon Co. Economic Development Council	0.49	N/A	None
Jeremy Langlois Knoxville, TN, USA	N/A	Senior Vice President	Senior Vice President, Secretary & Special Counsel - Entegra Bank	None	0.00	N/A	None
Ronald D. Beale Franklin, NC, USA	General Contractor	Director	Director - Entegra Bank	General Contractor - Beale Construction, Inc. Commissioner for Macon County	0.15	N/A	Beale Construction, Inc. (100%) Offspring Ventures, Inc. (50%) Leron LLC (50%) Silver Streak, LLC (33%)
Fred H. Jones Franklin, NC, USA	Attorney	Chairman	Director - Entegra Bank	Attorney - Jones, Key, Melvin & Patton	0.18	N/A	Jones, Key, Melvin & Patton, P.A. (33%)
Jim Garner Franklin, NC, USA	Insurance Consultant	Director	Chairman - Entegra Bank	President - The Wayah Agency, Inc. Director - Keystone Insurers Group, Inc. Director - Macon Depart Social Services Board	0.17	N/A	The Wayah Agency, Inc. (46%) Sellers & Garner (50%) Silver Streak, LLC (33.3%)
Carolyn Huscusson Franklin, NC, USA	N/A	Executive Vice President	Executive Vice President/CRBO - Entegra Bank Director, VP & Assistant Secretary - Entegra Services, Inc.	Audit Committee Member - Main Spring Conservation Trust	0.23	N/A	None
Beverly Mason Franklin, NC, USA	Realtor	Director	Vice Chairman - Entegra Bank	None	0.39	N/A	Lamplighter Realty, Inc. (100%) Mountain Property Investments, LLC (60%) Panther View, LLC (50%) Bryson Investments, LLC (50%)
Ryan Scaggs Bryson City, NC, USA	N/A	Executive Vice President	Executive Vice President/COO - Entegra Bank Director & VP - Entegra Services, Inc.	President - Redwood Homeowners Association	0.26	N/A	None
Adam Burrell Franklin, NC, USA	Physician	Director	Director - Entegra Bank & VP - Entegra Services, Inc.	Director None	0.08	N/A	Burrell Family & Obstetrical Care, P.A. (100%)
Louis Buck Travelers Rest, SC, USA	Retired	Director	Director - Entegra Bank	Director - Avadim, LLC Member - Mission Foundation Board	0.06	N/A	None
Charles M. Edwards Hendersonville, NC USA	Business Owner	Director	Director - Entegra Bank	President - C. Edwards Group Principle - Better Property Solutions, LLC Principle - Wilson-Edwards Holdings, LLC Senator - North Carolina State	0.09	N/A	C. Edwards Group (50%) Better Property Solutions, LLC (50%) Wilson-Edwards Holdings, LLC (50%)
David Bright Hendersonville, NC, USA	N/A	Executive Vice President & Treasurer	Executive Vice President, CFO & Treasurer - Entegra Bank Director, VP & Treasurer - Entegra Services, Inc.	None	0.37	N/A	None
Laura Clark Franklin, NC, USA	N/A	Executive Vice President	Executive Vice President - Entegra Bank	None	0.26	N/A	None
Bobby D. Sanders II Franklin, NC, USA	N/A	Executive Vice President	Executive Vice President - Entegra Bank	None	0.05	N/A	None
R. Matt Dunbar Greenville, SC, USA	Managing Director of South Carolina Angel Network	Director	Director - Entegra Bank	Director - Cirtemo, Inc. Director - Ubooster, Inc. Partner - Blue Granite Ventures Partner - Blue Granite Ventures II Partner - Palmetto Angel 2014 fund Director - Junior Achievement of Upstate South Carolina	0.02	N/A	Blue Granite Ventures (40%) Blue Granite Ventures II (40%) Palmetto Angel 2014 Fund (33%)
Charles Umberger Billmore Lake, NC, USA	N/A	Executive Vice President	Executive Vice President/Chief Lending Officer - Entegra Bank	None	0.03	N/A	None
Craig A. Fowler Culowhee, NC, USA	Chief Information Officer	Director	Director - Entegra Bank	Chief Information Officer - Western Carolina University	0.02	N/A	None

(\*)Any other business company in which the person is a director, trustee, partner, or executive officer