

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, Bruce W. Elder

Name of the Holding Company Director and Official

President, CEO 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

03/21/2017

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. _____

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)

Reporter's Name, Street, and Mailing Address

First South Bancorp, Inc.

Legal Title of Holding Company

1311 Carolina Avenue / P.O. Box 2047

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

Washington

NC

27889

City

State

Zip Code

Same

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

William L. Wall

SVP/Secretary

Name

Title

252-940-5017

Area Code / Phone Number / Extension

252-940-1268

Area Code / FAX Number

bill.wall@firstsouthnc.com

E-mail Address

www.firstsouthnc.com

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

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."

ANNUAL REPORT OF HOLDING COMPANIES - FR Y-6

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ANNUAL REPORT OF HOLDING COMPANIES - FR Y-6

Report Item 1: Annual Report to Shareholders

First South Bancorp, Inc. is registered with the Securities and Exchange Commission, and its Annual Report to Shareholders is not required to be included with the FR Y-6 report.

Report Item 2a: Organization Chart

Organization chart indicating the Reporter and its interest in all entities:

The organization chart includes full legal names, legal addresses, intercompany ownership and control relationship, percentage ownership by each direct holder, and state of incorporation of each entity.

Holding Company:

First South Bancorp, Inc.
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: 56-1999749
State of Incorporation: Virginia
Legal Entity Identifier: No LEI

Holding Company interest in all entities:

First South Bank
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: 56-0266599
100% ownership by First South Bancorp, Inc.
State of Incorporation: North Carolina
Legal Entity Identifier: No LEI

First South Preferred Trust I
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: 20-6043482
100% ownership by First South Bancorp, Inc.
State of Incorporation: North Carolina
Legal Entity Identifier: No LEI

First South Leasing, LLC
220 Creekside Drive
Washington, NC 27889
Federal Tax ID: 56-2266858
100% ownership by First South Bank -
Managing Member
State of Incorporation: North Carolina
Legal Entity Identifier: No LEI

DTFS, Inc.
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: 46-1471615
100% ownership by First South Bank
State of Incorporation: North Carolina
Legal Entity Identifier: No LEI

First South Insurance, LLC
1311 Carolina Avenue
Washington, NC 27889
Federal Tax ID: N/A
100% ownership by First South Bank -
Managing Member
State of Incorporation: North Carolina
Legal Entity Identifier: No LEI

Report Item 2b: Domestic Branch Listing

Submitted early via email on March 20, 2017

Report Item 3: Securities Holders

(1) Shareholders that directly or indirectly own, control, or hold power to vote five percent of any class of voting securities of First South Bancorp, Inc.:

(a) Name, city and state/country:

Name	None
City and State	N/A
Country	N/A

(b) Country of citizenship N/A

(c) Number of securities and percentage of voting class owned:

Number of shares owned	N/A
Percentage of voting class	N/A

(2) Shareholders not listed in Section 3(1) above that own or control five percent or more of any class of voting securities of First South Bancorp, Inc.: None

List each person or entity that held options, warrants or other securities or rights that could have been converted into or exercised for voting securities, which, in their aggregate, and including voting securities held, would have equaled or exceeded five percent of any such class of voting securities: None

Report Item 4: Insiders

(1, 2, 3c, 4c) Name, Address and Principal Occupation	(3a) Title or Position with First South Bancorp	(3b) Title or Position with First South Bank	(3b) Title or Position with First South Leasing	(3b) Title or Position with DTFS, Inc.	(3b) Title or Position with First South Insurance	Shares of Common Stock Owned, Controlled or Held with Power to Vote in First South Bancorp	(4a) Percentage of Outstanding Shares (1)(2)	(4b) Percentage Ownership of Subsidiaries (3)	(4c) Names of Other Companies if 25% or More of Voting Securities are Held
Directors:									
Lindsey A. Crisp Washington, NC (USA) President and CEO: Carver Machine Works, Inc. Washington, NC	Director	Director	N/A	N/A	N/A	12,650	0.13%	N/A	N/A
Steve L. Griffin Washington, NC (USA) President: Griffin Farms, Inc. Washington, NC	Director	Director	N/A	N/A	N/A	2,501	0.03%	N/A	Griffin Farms, Inc. (100% owner) Gold Petiole Farms, LLC (100% owner) Big Swamp, LLC (51% owner)
Frederick N. Holscher Washington, NC (USA) Attorney/Partner: Rodman, Holscher, Peck & Edwards, P.A. Washington, NC	Director and Chairman	Director and Chairman	N/A	Director	N/A	115,915	1.22%	N/A	Rodman, Holscher, Peck & Edwards, P.A. (25% owner) RHPE Rentals, LLC (25% owner)
L. Steven Lee Washington, NC (USA) President and General Manager: Lee Chevrolet, Inc. Washington, NC	Director	Director	N/A	N/A	N/A	38,900	0.41%	N/A	Lee Chevrolet, Inc. (100% owner) Down East GMPP (100% owner) Down East GAP (100% owner) SMS Lee Reinsurance (50% owner)
Marshall T. Singleton Washington, NC (USA) Retired	Director and Vice Chairman	Director and Vice Chairman	N/A	Director	N/A	261,672	2.76%	N/A	N/A
Bruce W. Elder Chocowinity, NC (USA) President and CEO	Director President and CEO	Director President and CEO	N/A	President	N/A	52,325	0.55%	N/A	N/A
Directors total ownership						<u>483,963</u>	5.10%		

Executive Officers Who Are Not Directors:

Scott C. McLean Greenville, NC (USA) Chief Financial Officer	Executive Vice President and CFO	Executive Vice President and CFO	Treasurer	N/A	N/A	15,503	0.16%	N/A	N/A
William L. Wall Chocowinity, NC (USA) Secretary	Secretary	Senior Vice President and Secretary	N/A	Secretary	N/A	91,761	0.96%	N/A	N/A
Kristie W. Nixon Washington, NC (USA) Treasurer	Treasurer and Asst Secretary	Treasurer and Asst Secretary	Asst Treasurer and Asst Secretary	Treasurer and Asst Secretary	N/A	4,561	0.05%	N/A	N/A
Executive Officers total ownership						<u>111,825</u>	1.17%		
Total Directors and Executive Officers as a group (9 persons)						<u>595,788</u>	6.26%		

Footnotes for Report Items 3 and 4:

(1) For Directors percentage of class based on number of shares of Common Stock outstanding as of December 31, 2016: 9,494,935

(2) For the President and Executive Officers who are not Directors, percentage of class based on 9,494,935 shares of Common Stock outstanding as of December 31, 2016, plus 24,200 stock option and restricted shares vested and exercisable within 60 days of December 31, 2016. 9,519,135

(3) No Director or Executive Officer has any ownership in subsidiaries, as all subsidiaries are 100% owned by First South Bancorp, Inc. or First South Bank pursuant to the Organization Chart listed in Report Item 2a above.

Results: A list of branches for your depository institution: FIRST SOUTH BANK (ID_RSSD: 883874).
This depository institution is held by FIRST SOUTH BANCORP, INC. (2521509) of WASHINGTON, 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)	883874	FIRST SOUTH BANK	1311 CAROLINA AVENUE	WASHINGTON	NC	27889	BEAUFORT	UNITED STATES	43918	0	FIRST SOUTH BANK	883874	
OK		Full Service	3676974	BUXTON BRANCH	47560 NC HIGHWAY 12	BUXTON	NC	27920	DARE	UNITED STATES	452047	128	FIRST SOUTH BANK	883874	
OK		Full Service	2998398	CHOCOWINITY BRANCH	2999 HIGHWAY 17 SOUTH	CHOCOWINITY	NC	27817	BEAUFORT	UNITED STATES	283424	110	FIRST SOUTH BANK	883874	
OK		Full Service	3596700	DURHAM BRANCH	4215 UNIVERSITY DRIVE	DURHAM	NC	27707	DURHAM	UNITED STATES	442389	126	FIRST SOUTH BANK	883874	
OK		Full Service	2446170	ELIZABETH CITY BRANCH	604 EAST ERINGHAUS STREET	ELIZABETH CITY	NC	27909	PASQUOTANK	UNITED STATES	283417	100	FIRST SOUTH BANK	883874	
OK		Full Service	53725	ELIZABETH TOWN OFFICE	201 WEST BROAD ST	ELIZABETH TOWN	NC	28337	BLADEN	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2860507	EXECUTIVE PLACE BRANCH	705 EXECUTIVE PLACE	FAYETTEVILLE	NC	28305	CUMBERLAND	UNITED STATES	264169	108	FIRST SOUTH BANK	883874	
OK		Full Service	620976	FAYETTEVILLE BRANCH	241 GREEN STREET	FAYETTEVILLE	NC	28301	CUMBERLAND	UNITED STATES	40760	107	FIRST SOUTH BANK	883874	
OK		Full Service	2841225	GOLDSBORO BRANCH	2801 CASHWELL DR	GOLDSBORO	NC	27534	WAYNE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2446219	ARLINGTON BRANCH	301 EAST ARLINGTON BOULEVARD	GREENVILLE	NC	27858	PITT	UNITED STATES	283420	103	FIRST SOUTH BANK	883874	
OK		Full Service	3354094	FIRETOWER ROAD BRANCH	907 EAST FIRETOWER ROAD	GREENVILLE	NC	27835	PITT	UNITED STATES	442388	125	FIRST SOUTH BANK	883874	
OK		Full Service	3648122	GREENVILLE BOULEVARD BRANCH	1707 SOUTHEAST GREENVILLE BLVD	GREENVILLE	NC	27858	PITT	UNITED STATES	468533	130	FIRST SOUTH BANK	883874	
OK		Full Service	3676965	HOPE MILLS BRANCH	3103 NORTH MAIN STREET	HOPE MILLS	NC	28348	CUMBERLAND	UNITED STATES	422962	121	FIRST SOUTH BANK	883874	
OK		Full Service	4727033	KILL DEVIL HILLS BRANCH OFFICE	3105 NORTH CROATAN HIGHWAY	KILL DEVIL HILLS	NC	27948	DARE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	239220	KINSTON VERNON AVENUE OFFICE	1900 WEST VERNON AVE	KINSTON	NC	28504	LENOIR	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	4914879	FAYETTEVILLE ROAD OFFICE	4309 FAYETTEVILLE ROAD	LUMBERTON	NC	28358	ROBESON	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2493071	MOREHEAD CITY BRANCH	4913 ARENDELL STREET	MOREHEAD CITY	NC	28557	CARTERET	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	545725	MOUNT OLIVE BRANCH	213 N CHESTNUT STREET	MOUNT OLIVE	NC	28365	WAYNE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2446198	NEW BERN BRANCH	1725 GLENBURNIE ROAD	NEW BERN	NC	28562	CRAVEN	UNITED STATES	283419	102	FIRST SOUTH BANK	883874	
OK		Full Service	2998437	SOUTH FRONT STREET BRANCH	412 SOUTH FRONT STREET	NEW BERN	NC	28560	CRAVEN	UNITED STATES	283423	106	FIRST SOUTH BANK	883874	
OK		Full Service	3718490	RALEIGH BRANCH	4800 SIX FORKS ROAD, SUITE 115	RALEIGH	NC	27609	WAKE	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	2888033	BENVENUE ROAD BRANCH	1378 BENVENUE ROAD	ROCKY MOUNT	NC	27804	NASH	UNITED STATES	266448	114	FIRST SOUTH BANK	883874	
OK		Full Service	2888060	SUNSET AVENUE BRANCH	2901 SUNSET AVE	ROCKY MOUNT	NC	27804	NASH	UNITED STATES	266451	115	FIRST SOUTH BANK	883874	
OK		Full Service	2888088	TARBORO OFFICE	100 EAST HOPE LODGE STREET	TARBORO	NC	27886	EDGECOMBE	UNITED STATES	205229	112	FIRST SOUTH BANK	883874	
OK		Full Service	606327	WALLACE BRANCH	117 E SOUTHERLAND ST	WALLACE	NC	28466	DUPLIN	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	3139871	JOHN SMALL OFFICE	1328 JOHN SMALL AVENUE	WASHINGTON	NC	27889	BEAUFORT	UNITED STATES	363054	117	FIRST SOUTH BANK	883874	
OK		Full Service	2446189	WASHINGTON BRANCH	300 NORTH MARKET STREET	WASHINGTON	NC	27889	BEAUFORT	UNITED STATES	283418	101	FIRST SOUTH BANK	883874	
OK		Full Service	4928616	WILLIAMSTON BRANCH	1067 BRENTWAY AVENUE SUITE 136	WILLIAMSTON	NC	27892	MARTIN	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	4522313	WILMINGTON MILITARY CUTOFF RD BRANCH	1612 MILITARY CUTOFF ROAD	WILMINGTON	NC	28403	NEW HANOVER	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	
OK		Full Service	235026	WILSON BRANCH	1600 TARBORO STREET WEST	WILSON	NC	27893	WILSON	UNITED STATES	Not Required	Not Required	FIRST SOUTH BANK	883874	