

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, Kim C. Liddell

Name of the Holding Company Director and Official

President, CEO, and Chairman of the Board of Directors

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

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

54930037HP06R3BXDY57

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

Reporter's Name, Street, and Mailing Address

Delmarva Bancshares, Inc.

Legal Title of Holding Company

304 High Street, PO Box 550

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

Cambridge

City

MD

State

21613

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Judann Culver

Name

EVP, COO

Title

443-225-4724

Area Code / Phone Number / Extension

410-228-7942

Area Code / FAX Number

judann.culver@1880bank.com

E-mail Address

N/A

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."

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.

Delmarva Bancshares, Inc.

Legal Title of Subsidiary Holding Company

304 High Street, P. O. Box 550

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

Cambridge

City

MD

State

21613

Zip Code

Physical Location (if different from mailing address)

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

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City

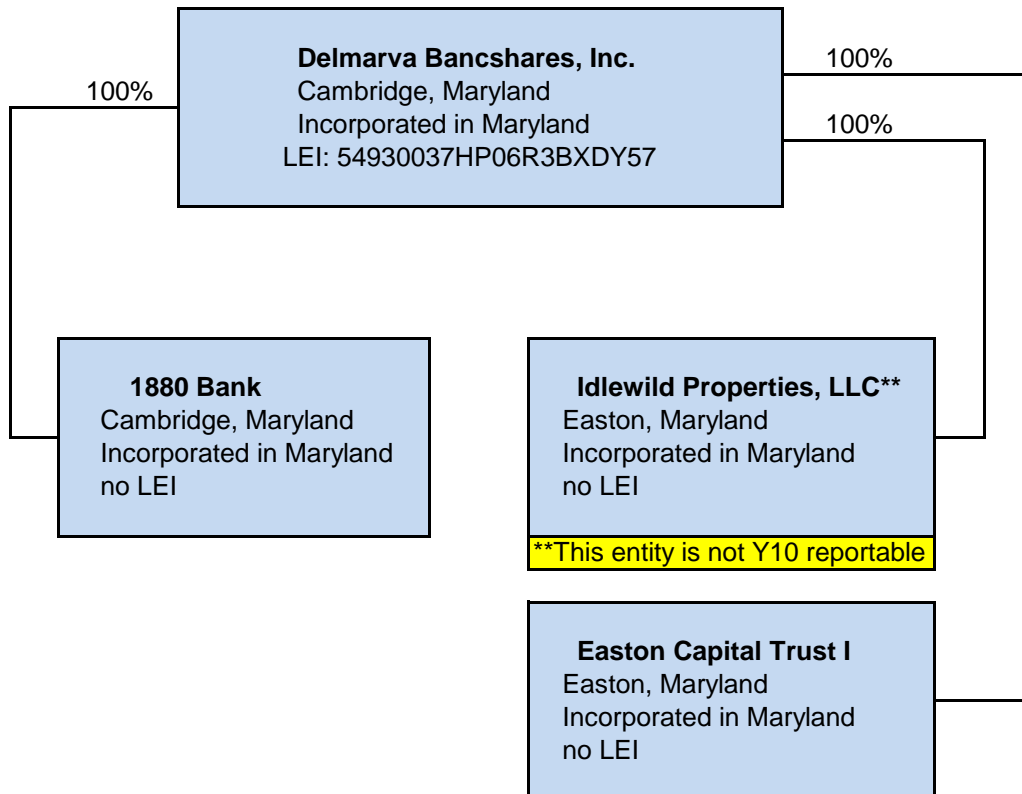
State

Zip Code

Physical Location (if different from mailing address)

Form FR Y-6
Organizational Chart
Delmarva Bancshares, Inc
(A One-Bank Holding Company)
Report Item 2a.
12/31/2016

1: The bank holding company prepares an annual report for its securities holders and is not registered with the SEC. As specified by the appropriate Reserve Bank, one (1) copy is enclosed.



Supplement to Organization Chart:

- 2.a State of Incorporation - Maryland
- 2.b N/A (Not Applicable)
- 2.c N/A (Not Applicable)
- 2.d N/A (Not Applicable)

Results: A list of branches for your depository institution: **1880 BANK (ID_RSSD: 746223)**.
This depository institution is held by **DELMARVA BANCSHARES, INC. (2706726) of CAMBRIDGE, MD**.
The data are as of **12/31/2016**. Data reflects information that was received and processed through **02/28/2017**.

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)	746223	1880 BANK	304 HIGH STREET	CAMBRIDGE	MD	21613	DORCHESTER	UNITED STATES	3221	0	1880 BANK	746223	
OK		Full Service	869029	WOODS ROAD BRANCH	803 WOODS ROAD	CAMBRIDGE	MD	21613	DORCHESTER	UNITED STATES	204568	1	1880 BANK	746223	
OK		Full Service	3936052	GLEBE ROAD BRANCH	8707 COMMERCE DRIVE	EASTON	MD	21601	TALBOT	UNITED STATES	Not Required	Not Required	1880 BANK	746223	
OK		Full Service	2059758	IDLEWILD AVENUE BRANCH	501 IDLEWILD AVENUE	EASTON	MD	21601	TALBOT	UNITED STATES	Not Required	Not Required	1880 BANK	746223	
OK		Full Service	745721	HURLOCK BRANCH	100 PINE STREET	HURLOCK	MD	21643	DORCHESTER	UNITED STATES	204569	2	1880 BANK	746223	
OK		Full Service	3105737	OXFORD BRANCH	104 FACTORY STREET	OXFORD	MD	21654	TALBOT	UNITED STATES	Not Required	Not Required	1880 BANK	746223	

Form FR Y-6
12/31/2016

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

Current Shareholders with ownership, control and holdings of 5% or more with power to vote as of 12-31-2016			Shareholders not listed in (3) (1a) through (3) (1c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12-31-2016		
(1a) Name and Address (City State, Country)	(1b) Country of Citizenship or Incorporation	(1c) Number and % of each class of voting Securities	(2a) Name & Address (City, State, Country)	(2b) Country of Citizenship or Incorporation	(2c) Number and % of each class of voting Securities
Castle Creek Investors Rancho Santa Fe, CA, USA	USA	383,345 9.90% Common	EJF Sidecar Fund Series LLC - Series E Arlington, VA, USA	USA	383,531 9.90% Common
Ithan Creek Investors USB, LLC Boston, MA, USA	USA	146,625 3.79% Common	Siena Capital Partners Chicago, IL, USA	USA	290,662 7.51% Common
Basswood Opportunity Partners LP White Plains, NY, USA	USA	164,041 4.24% Common			

Form FR Y-6
Delmarva Bancshares, Inc.
Fiscal Year Ending December 31, 2016

Report item 4: Insiders
(1,2,3,3(a,b,c))

(1)	(2)	(3a)	(3b)	(3c)	(4a)	(4b)	(4c)
Name City, State Country	Principal Occupation if other than with Bank Holding Company	Title & Position with Bank Holding Company	Title & Position with Subsidiaries (include names of subs)	Title & Position with Other Businesses (include names of businesses)	Percentage of Voting Shares in Bank Holding Company	Percentage of Voting Shares in Subsidiaries (include names)	List Names of Other Companies (includes partnerships) if 25% or more of voting securities are held. (List names of companies and percentage)
Kim C. Liddell Oakton, VA USA	N/A	President, Chairman Director	President/CEO/Chairman (1880 Bank)	N/A	0.2592%	None	7LS, LLC 100%
E. Thomas Merryweather Cambridge, MD USA	Attorney	Director & Vice Chairman	Vice Chairman (1880 Bank)	Owner- Harrington & Merryweather Member- Parana River Hunting,LLC	0.5382%	None	Harrington & Merryweather 100%
William L. Wise III Cambridge, MD USA	Retired	Director	Director (1880 Bank)	Retired President Wise Oil & Fuel, Inc.	0.0517%	None	Wise Oil & Fuel - 50 %
John Luthy III Trappe, MD USA	Agriculture	Director	Director (1880 Bank)	Owner Fairfield Farms, LLC	0.2843%	None	Fairfield Farms, LLC - 100%
William W. Brooks Cambridge, MD USA	Seafood Processor	Director	Director (1880 Bank)	Secretary/Treasurer Sales and Finance J.M. Clayton & Son, Inc. Cambridge Creek, Inc.	0.0258%	None	J.M. Clayton & Son, Inc. - 32% Cambridge Creek, Inc. - 32% 108 Commerce, Inc. - 32%
Tom Powley Cambridge, MD USA	Manufacturing	Director	Director (1880 Bank)	President GKD USA, Inc.	0.3143%	None	N/A
W. David Hill, D.D.S. Easton, MD USA	Hotel Ownership Retirement Village Real Estate Developer Rehabilitation	Director	Director (1880 Bank)	Partner Idlewild Associates Limited Partnership	0.0258%	None	Idlewild Associates Limited Partnership - 25% Eastern Shore Retirement Associates Limited Partnership 66.66% Idlewild Pharmacy, LLC - 66.66% South Carolina Hotel, LLC - 41% Fruitland Properties LLC - 34% Hill Family Murrells Inlet LLC - 45.45% Hill Group, LLC - 27.40% Bon Pere LLC - 63% Dover Street Associates LLC - 50% Harbor of Grace Enhanced Recovery Center LLC - 27.90% Caulk Management Company, Inc. - 70%
Judann Culver Trappe, MD USA	N/A	Secretary	EVP, Chief Operations Officer (1880 Bank)	N/A	N/A	N/A	N/A