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 6(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 310B(a) and 310B(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, 1650a(c)(1), and 5469(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. N. Richard Kallkow  
Name of the Holding Company Director and Officer  
Managing Member

Tate of the Holding Company Director and Officer

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 data in this report containing their identities.

Signature of Holding Company Director and Officer:  
3/27/2016
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):  
12/31/2017
Month / Day / Year

no LEI

Reporter's Legal Entity Identifier (LEI) (20 Character LEI Code)  
Reporters's Name, Street, and Mailing Address

Max Bancorp, LLC  
Legal Title of Holding Company

1020 Highway 17 North  
(Mailing Address of the Holding Company) Street / P.O. Box

North Myrtle Beach, South Carolina 29582  
City / State / Zip Code

Physical Location (If different from mailing address)

Person to whom questions about this report should be directed:  
Jim Smith  
President & CEO (SHC)

Name / Title

843-280-2285  
Area Code / Phone Number / Extension
843-280-9823  
Area Code / FAX Number

jamsmith@sendhillsbank.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?  
☐ No ☑ 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 as "confidential.”

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 6.50 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of Information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.
Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

<table>
<thead>
<tr>
<th>Sandhills Holding Company, Inc.</th>
<th>Legal Title of Subsidiary Holding Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1020 Highway 17 North</td>
<td>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</td>
</tr>
<tr>
<td>North Myrtle Beach South 29582</td>
<td>City State Zip Code</td>
</tr>
<tr>
<td>Physical Location (if different from mailing address)</td>
<td></td>
</tr>
</tbody>
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Max Bancorp, LLC

Responses for Annual Report of Bank Holding Companies – FRY-6
Period Ending December 31, 2017

Report Item 1: No annual report is prepared for shareholders. Audited financials for Sandhills Holding Company, Inc. will be uploaded separately, once they are completed.

Report Item 2a: Organization Chart

Max Bancorp, LLC
North Myrtle Beach, SC USA
Incorporated in DE
No LEI

Max Bancorp, LLC owns 95% of stock in the following:

Sandhills Holding Company, Inc.
North Myrtle Beach, SC USA
Incorporated in SC
No LEI

Sandhills Holding Company, Inc. owns 100% of stock in the following:

Sandhills Bank
North Myrtle Beach, SC USA
Incorporated in SC
LEI 549300LYOOWYZPR8M567

2b: Domestic Branch Listing – Confirmed and sent by email 3/23/2018 to Phyllis.Strum@rich.frb.org; also uploaded to Reporting Central in this packet.

Report Item 3: Shareholders - See attached spreadsheets for:
Max Bancorp, LLC
Sandhills Holding Company, Inc.

Report Item 4: Insiders – See attached spreadsheets for:
Max Bancorp, LLC
Sandhills Holding Company, Inc.
Results: A list of branches for your depository institution: SANDHILLS BANK (ID_RSSD: 806220).
This depository institution is held by MAX RANCORP, LLC (3878835) of NORTH MYRTLE BEACH, SC.
The data are as of 12/31/2017. Data reflects information that was received and processed through 01/04/2018.

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 date when this information first became valid 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:
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>
<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>Full Service</td>
<td>SANDHILLS BANK</td>
<td>826120</td>
<td>KING STREET</td>
<td>BETHUNE</td>
<td>SC</td>
<td>29582</td>
<td>Horry</td>
<td>United States</td>
<td>Not Required</td>
<td>Not Required</td>
<td>SANDHILLS BANK</td>
<td>806220</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>3726312</td>
<td>BETHUNE BRANCH</td>
<td>800 KING STREET</td>
<td>2010 HIGHWAY 17 NORTH</td>
<td>BETHUNE</td>
<td>SC</td>
<td>29582</td>
<td>Horry</td>
<td>United States</td>
<td>Not Required</td>
<td>Not Required</td>
<td>SANDHILLS BANK</td>
<td>806220</td>
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<td>Full Service</td>
<td>3677001</td>
<td>CAROLINA FOREST BRANCH</td>
<td>273 CAROLINA FOREST BLVD</td>
<td>MYRTLE BEACH</td>
<td>SC</td>
<td>29579</td>
<td>Horry</td>
<td>United States</td>
<td>Not Required</td>
<td>Not Required</td>
<td>SANDHILLS BANK</td>
<td>806220</td>
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<td></td>
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<tr>
<td>OK</td>
<td>Full Service</td>
<td>4970806</td>
<td>MYRTLE BEACH INTERNATIONAL DRIVE</td>
<td>830 INTERNATIONAL DRIVE</td>
<td>MYRTLE BEACH</td>
<td>SC</td>
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<td>Horry</td>
<td>United States</td>
<td>Not Required</td>
<td>Not Required</td>
<td>SANDHILLS BANK</td>
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</tr>
<tr>
<td>OK</td>
<td>Full Service</td>
<td>3677027</td>
<td>GOASTTEE BRANCH</td>
<td>4600 HIGHWAY 17 BYPASS S</td>
<td>MYRTLE BEACH</td>
<td>SC</td>
<td>29577</td>
<td>Horry</td>
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<td>Not Required</td>
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<td>SANDHILLS BANK</td>
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<tr>
<td>OK</td>
<td>Full Service</td>
<td>3282520</td>
<td>WINDP HIL BRANCH</td>
<td>4400 HIGHWAY 17 SOUTH</td>
<td>NORTH MYRTLE BEACH</td>
<td>SC</td>
<td>29582</td>
<td>Horry</td>
<td>United States</td>
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<td>Not Required</td>
<td>SANDHILLS BANK</td>
<td>806220</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Report Item 3: Shareholders

<table>
<thead>
<tr>
<th>Current Shareholders with ownership, control or holdings of 5% or more with power of vote as of fiscal year ending 12-31-2017</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 12-31-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(1)(a)</strong> Name &amp; Address (City, State, Country)</td>
<td><strong>(1)(b)</strong> Country of Citizenship or Incorporation</td>
</tr>
<tr>
<td>N. Richard Kalikow New York, NY USA</td>
<td>USA</td>
</tr>
<tr>
<td>Martin B. Greenberg Boca Raton, FL USA</td>
<td>USA</td>
</tr>
<tr>
<td>Current Shareholders with ownership, control or holdings of 5% or more with power of vote as of fiscal year ending 12-31-2017</td>
<td>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 12-31-2017</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(1)(a) Name &amp; Address (City, State, Country)</td>
<td>(1)(b) Country of Citizenship or Incorporation</td>
</tr>
<tr>
<td>Max Bancorp, LLC North Myrtle Beach, SC USA</td>
<td>USA</td>
</tr>
<tr>
<td>Names &amp; Address (City, State, Country)</td>
<td>(2) Principal Occupation, if other than with Bank Holding Company</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>Martin B. Greenberg Boca Raton, FL USA</td>
<td>Chairman, Sterling Commodities Corp.</td>
</tr>
<tr>
<td>N. Richard Kalikow New York, NY USA</td>
<td>Chairman &amp; CEO, Gamma Real Estate, LLC</td>
</tr>
</tbody>
</table>

The following entities are owned through Fortune Funding, LLC: Beta Capital, LLC (75%);
<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 (includes 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>Darra W. Cothran Columbia, SC USA</td>
<td>Attorney Director Director of Sandhills Bank Limited partner of Heniford Farms Ltd. Ptsp.; Member &amp; Manager of Sandhills Insurance, LLC; President &amp; Chair of Board of Casey Corporation of Columbia; General partner of Woodward, Cothran &amp; Herndon Member &amp; Manager of DOH, LLC Trustee of the Heniford Trust B.</td>
<td>Total 0.1042% None</td>
<td>Woodward, Cothran &amp; Herndon (33.33%) The Heniford Trust B (33.3%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Martin B. Greenberg Boca Raton, FL USA</td>
<td>Chairman, Sterling Commodities Corp. Director &amp; Vice-Chair Director &amp; Vice-Chair of Sandhills Bank Member of Max Bancorp, LLC; Chairman of Sterling Commodities Corp.</td>
<td>Total 0.4448% None</td>
<td>Sterling Commodities Corp. (100%); G. Martin Associates (50%); Max Bancorp, LLC (25%); Beta Capital, LLC (25%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Max Bancorp, LLC North Myrtle Beach, SC USA</td>
<td>N/A N/A N/A N/A</td>
<td>Total 95.3195%; ownership in this company is of Greenberg and Kalikow of this schedule</td>
<td>N/A N/A</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N. Richard Kalikow New York, NY USA</td>
<td>Chairman &amp; CEO, Gamma Real Estate, LLC Director &amp; Chair Director &amp; Chair of Sandhills Bank President and Managing Member of Manchester Real Estate &amp; Construction, LLC; Managing Member of Max Bancorp, LLC President of Kalikow Realty &amp; Construction Corp.; General Partner of Kalikow Realty Company; Managing Member of Fortune Funding, LLC; Manager of Beta Capital, LLC; Chairman &amp; CEO of Gamma Real Estate, LLC; Managing Member ofGamma Funding Special Limited Partner, LLC; Managing Member of Gamma Funding Management, LLC; Managing Member of Triton Real Estate Investments Holdco, LLC; Managing Member of Triton Real Estate Special Limited Partner, LLC; Managing Member of Gamma Development, LLC; Managing Member of Alpine Property Management, LLC Managing Member of GRE 50 Hurt SLP, LLC Managing Member of GRE Pencil Factory Investor MM, LLC Trustee of The Heisman Trophy Trust</td>
<td>Total 3.6642% None</td>
<td>Manchester Real Estate &amp; Construction, LLC (100%); Max Bancorp, LLC (75%); Kalikow Realty &amp; Construction Corp. (100%); Fortune Funding, LLC (99.99%); Kalikow Realty Company (50%); Triton Real Estate Investments Holdco, LLC (50%); Triton Real Estate Special Limited Partner (94.47%); Gamma Real Estate, LLC (50%); Gamma Funding Special Limited Partner, LLC (50%) Gamma Funding Management, LLC (50%); Gamma Development, LLC (60%); Gamma Funding Management, LP (49.5%); Alpine Property Management, LLC (85%) GRE 50 Hurt SLP, LLC (25%); GRE Pencil Factory Investor MM, LLC (22.93%); The following entities are owned through Fortune Funding, LLC: Beta Capital, LLC (75%);</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>James B. Smith Myrtle Beach, SC USA</td>
<td>N/A Director &amp; President &amp; CEO Manager of A&amp;K Futures, LLC</td>
<td>Total 0.1112% None</td>
<td>A&amp;K Futures, LLC (50%)</td>
<td></td>
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</tbody>
</table>