

Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-6

FRB RICHMOND

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, Palmetto State Bankshares, Inc.

Name of the Holding Company Director and Official

Charles A. Laffitte, Jr. Chairman and CEO

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.

Charles A. Laffitte Jr.
Signature of Holding Company Director and Official

3/6/2019
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 1076329
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):
12/31/2018

Month / Day / Year

NONE

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

Reporter's Name, Street, and Mailing Address

Palmetto State Bankshares, Inc.

Legal Title of Holding Company

Post Office Box 158

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

Hampton, S. C. 29924

City State Zip Code

601 First Street West Hampton, SC 29924
Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Charles A Laffitte Jr Chairman and CEO

Name Title

803-943-7698

Area Code / Phone Number / Extension

803-943-5634

Area Code / FAX Number

claffitte@palmettostatebank.com

E-mail Address

NONE

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.

Legal Title of Subsidiary Holding Company

NONE

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

City State Zip Code

Physical Location (if different from mailing address)

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City State Zip Code

Physical Location (if different from mailing address)

Report Item # 1: Annual Report
Will be sent when completed

Report Item #2a: Organization Chart

Report Item # 2b: Domestic Branch Locations

Report Item # 3: Securities Holders

Report Item #4: Insiders

Report Item #2a:

PALMETTO STATE BANKSHARES, INC.
HAMPTON, SOUTH CAROLINA

State of Incorporation
South Carolina

100%

LEI
549300RV76T00EYJVR19

Palmetto State Bank
Hampton, S. C. 29924

State of Incorporation
South Carolina

2b
Results: A list of branches for your depository institution: PALMETTO STATE BANK (ID_RSSD: 277820).
This depository institution is held by PALMETTO STATE BANKSHARES, INC. (1076329) of HAMPTON, 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 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) | 277820 | PALMETTO STATE BANK | 601 FIRST STREET W | HAMPTON | SC | 29924 | HAMPTON | UNITED STATES | Not Required | Not Required | PALMETTO STATE BANK | 277820 | |
| OK | | Full Service | 785325 | ALLENDAL E BRANCH | 230 MAIN STREET NORTH | ALLENDAL E | SC | 29810 | ALLENDAL E | UNITED STATES | Not Required | Not Required | PALMETTO STATE BANK | 277820 | |
| OK | | Limited Service | 4252179 | ALLENDAL E DRIVE IN BRANCH | 211 BAY STREET EAST | ALLENDAL E | SC | 29810 | ALLENDAL E | UNITED STATES | Not Required | Not Required | PALMETTO STATE BANK | 277820 | |
| OK | | Full Service | 667926 | BURTON OFFICE | 2347 BOUNDARY ST | BEAUFORT | SC | 29902 | BEAUFORT | UNITED STATES | Not Required | Not Required | PALMETTO STATE BANK | 277820 | |
| OK | | Full Service | 530721 | BLUFFTON BRANCH | 194 BLUFFTON ROAD | BLUFFTON | SC | 29910 | BEAUFORT | UNITED STATES | Not Required | Not Required | PALMETTO STATE BANK | 277820 | |
| OK | | Full Service | 702229 | ESTILL BRANCH | 85 THIRD STREET | ESTILL | SC | 29918 | HAMPTON | UNITED STATES | Not Required | Not Required | PALMETTO STATE BANK | 277820 | |
| OK | | Full Service | 789529 | FAIRFAX BRANCH | 127 HAMPTON AVENUE SOUTH | FAIRFAX | SC | 29827 | ALLENDAL E | UNITED STATES | Not Required | Not Required | PALMETTO STATE BANK | 277820 | |
| OK | | Full Service | 2824983 | LADY S ISLAND BRANCH | 145 LADY S ISLAND DR | LADY S ISLAND | SC | 29907 | BEAUFORT | UNITED STATES | Not Required | Not Required | PALMETTO STATE BANK | 277820 | |

PALMETTO STATE BANKSHARES, INC.
FISCAL YEAR ENDING
DECEMBER 31, 2018

3 Security Holders

| (1)(a) Name City and State | (1)(b) Country of Citizenship | (1)(c) Number and Percentage of Voting Securities | |
|--|----------------------------------|---|-----|
| Ann C. Laffitte Allendale, S C | USA | 35,224 | 10% |
| Estate of Henry Laffitte Allendale, S C | USA | 18,549 | 5% |
| Montague T. Laffitte Bluffton, S C | USA | 54,237 | 15% |
| Russell L. Laffitte Varnville, S C | USA | 23,365 | 6% |
| L. Gray Henderson Hampton, S C | USA | 20,692 | 6% |

3(2) NONE

PALMETTO STATE BANKSHARES, INC.
12/31/2018

4 INSIDERS

| (1) | (2) | (3)(a) | (3)(b) | (3)© | (4)(a) | (4)(b) | (4)© |
|---------------------------------------|--|--------------------------------|---|--|--|---|---|
| Name City, State Country | Principal Occupatin if other than with Bank Holding Company | Title & Position W/Bank H C | Title & Position with Subsidiaries (include names of subsidiaries) | Title & Position with,other Business(include names of o/business | Percentage % Voting Shares in Bank Hoding Company | Percentage of Voting Shares in Subsidiaries (include names of subsidiaries) | List names of other companies (includes partnerships) if 25% or more o voting securi- ties are held (List names of companies and percentage of voting securi- ties held) |
| Charles A Laffitte Jr Hampton, S C | N/A | Director Chairman & CEO | Director Chairman & CEO Palmetto State Bank | N/A | 0% | none | Calco of SC 33% |
| Montague T Laffitte Bluffton, S C | N/A | Director Vice Chairman | Director Vice Chairman Palmetto State Bank | N/A | 15% | none | Calco of SC 33% |
| Jan M. Malinowski Beaufort, S C | N/A | Director President | Director President Palmetto State Bank | N/A | 0% | none | none |
| L. Gray Henderson Hampton, S C | N/A | Director Vice President | Director Vice President Palmetto State Bank | N/A | 6% | none | Laffitte Family Partnership 32% |
| Russell L Laffitte Hampton, S C | N/A | Director Vice President | Director COO Palmetto State Bank | N/A | 6% | none | Laffitte Family Partnership |

| | | | | | | | | |
|-------------------------|-----------|----------|---------------------|------------------|-----|------|--------------------|------|
| Charles A Laffitte III | | Director | Director | | | | Laffitte | 32% |
| Hampton, S C | N/A | | Palmetto State Bank | N/A | 2% | none | Family Partnership | 32% |
| James A. Gibson Jr | Attorney | Director | Director | Retired Attorney | | | | |
| Beaufort | | | Palmetto State Bank | | 0% | none | none | |
| Norris L. Laffitte | N/A | Director | Director | Retired | | | | |
| Beaufort, S C | | | Palmetto State Bank | Railroad Exec. | 0% | none | none | |
| Dr. H. L. Laffitte, Jr. | Physician | Director | Director | H Lucius | | | H Lucius | |
| Beaufort, S C | | | Palmetto State Bank | Laffitte MD LLC | 0% | none | Laffitte MD LL | 100% |
| Ann C Laffitte | | | | Physician | | | | |
| Allendale, S C | N/A | N/A | N/A | N/A | 10% | none | none | |