

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.

I, James S. Mahan, III  
 Name of the Holding Company Director and Official  
 Chairman of Board/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.

[Signature]  
 Signature of Holding Company Director and Official  
 03/19/2020  
 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. \_\_\_\_\_

Date of Report (top-tier holding company's fiscal year-end):  
**December 31, 2019**

Month / Day / Year  
 N/A

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

Reporter's Name, Street, and Mailing Address  
 Live Oak Bancshares, Inc.

Legal Title of Holding Company  
 1741 Tiburon Drive

(Mailing Address of the Holding Company) Street / P.O. Box  
 Wilmington NC 28403  
 City State Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:  
 S. Brett Caines Chief Financial Officer

Name Title  
 910-796-1645  
 Area Code / Phone Number / Extension

910-218-7763  
 Area Code / FAX Number

brett.caines@liveoak.bank  
 E-mail Address

www.liveoakbank.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."

Form FR Y-6

**LIVE OAK BANCSHARES, INC**  
Wilmington, North Carolina  
Fiscal Year Ending December 31, 2019

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

The bank holding company prepares an audited annual report for its shareholders and it is part of its annual SEC Form 10-K filing.

**Report Item 2: Organization Chart**

<u>ID RSSD</u>	<u>LEGAL NAME</u>	<u>ADDRESS</u>	<u>INTERCOMPANY OWNERSHIP</u>	<u>OWNERSHIP %</u>	<u>MANAGEMENT</u>
					Managing Direct Holder of Live Oak Banking Company; Live Oak Ventures, Inc.; Live Oak Clean Energy Financing, LLC; Canapi LOB MM, LLC; and Government Loan Solutions, Inc
3884883	Live Oak Bancshares, Inc	Wilmington, North Carolina, US	Financial Holding Company		
3850808	Live Oak Banking Company	Wilmington, North Carolina, US	Subsidiary-State Non-member Bank	100%	Live Oak Bancshares, Inc (Manager)
4558312	Government Loan Solutions, Inc	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	100%	Live Oak Bancshares, Inc (Manager)
4905813	Live Oak Grove, LLC	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	100%	Live Oak Bancshares, Inc (Non-Managing Member)
5278710	Live Oak Private Wealth, LLC	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	100%	Live Oak Bancshares, Inc (Non-Managing Member)
5187218	Apiture, LLC	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	100%	Live Oak Bancshares, Inc (Non-Managing Member)
5372881	Canapi Advisors, LLC	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	50%	Live Oak Bancshares, Inc (Non-Managing Member)
5374089	Canapi LOB MM, LLC	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	100%	Live Oak Bancshares, Inc (Manager)
5374078	Canapi Ventures LOB SLP, LLC	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	100%	Live Oak Bancshares, Inc (Non-Managing Member)
5298381	Live Oak Clean Energy Financing, LLC	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	100%	Live Oak Bancshares, Inc (Manager)
5046937	Live Oak Ventures, Inc	Wilmington, North Carolina, US	Subsidiary Non-Bank Other Company	100%	Live Oak Bancshares, Inc (Manager)
5130304	Payraltz, LLC	Glastonbury, Connecticut, US	Subsidiary Non-Bank Other Company	<25%	Live Oak Bancshares, Inc (Non-Managing Member)
5426351	CU RAILZ, LLC	Glastonbury, Connecticut, US	Subsidiary Non-Bank Other Company	<25%	Live Oak Bancshares, Inc (Non-Managing Member)
	Finxact LLC	Jacksonville, FL, US		NR	Not reportable on FRY-10
	Kwipped, Inc	Wilmington, North Carolina, US		NR	Not reportable on FRY-10
	Greenlight Financial Technology, Inc	Atlanta, GA, US		NR	Not reportable on FRY-10

**Report Item 2b: Depository Institution Branch Listing**

Detail report enclosed.

**Report Item 3: Securities Holders**

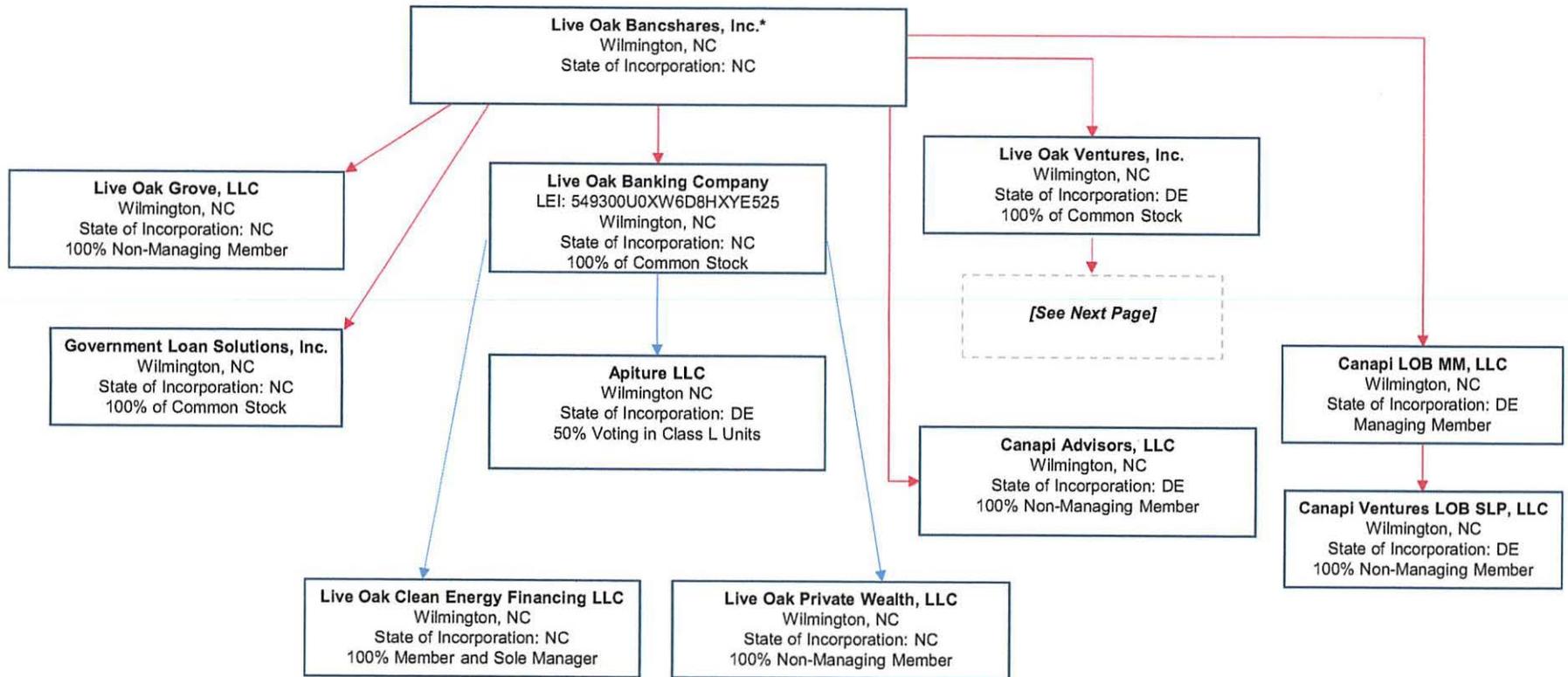
Detail report enclosed.

**Report Item 4: Insiders**

Detail report enclosed.

Item 2

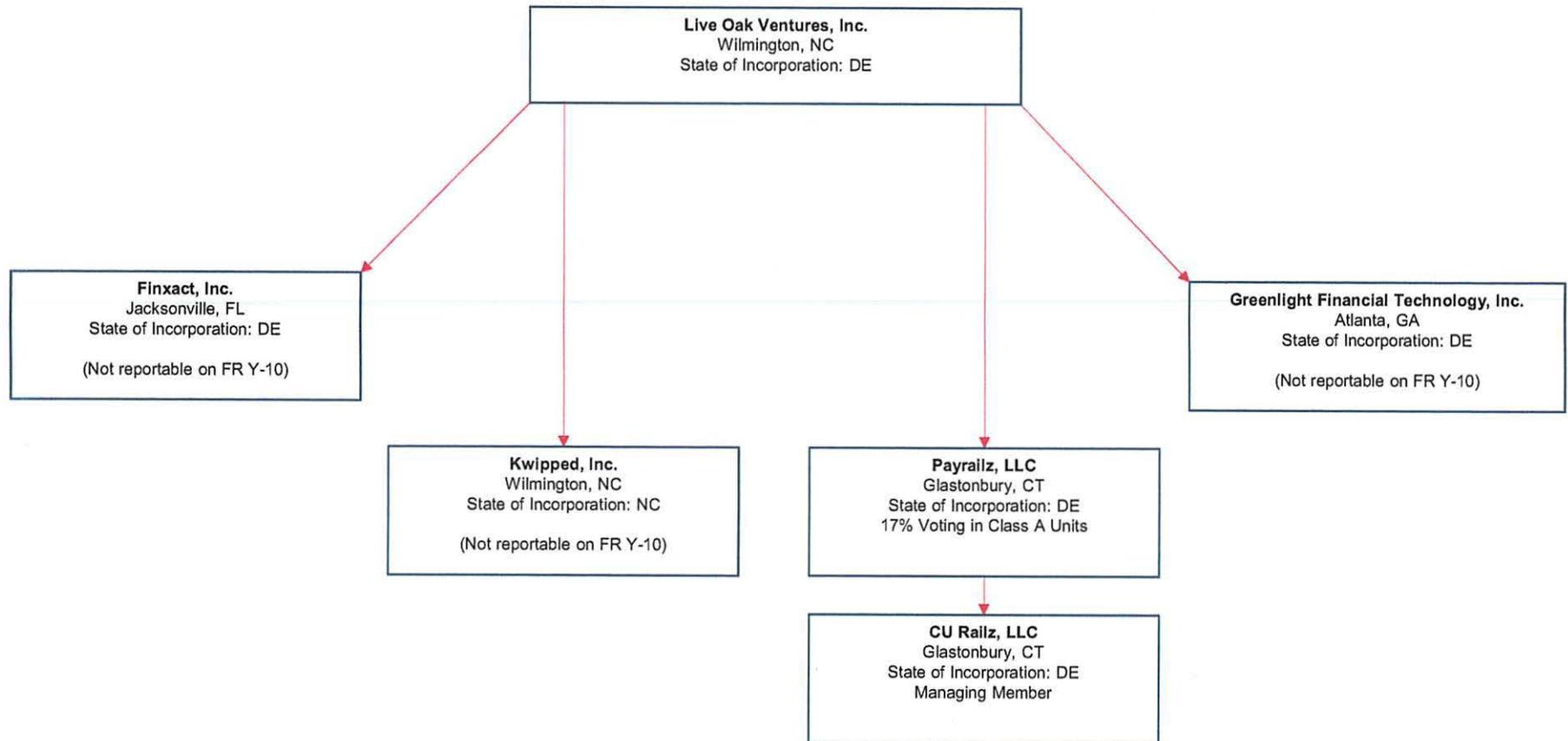
### Live Oak Bancshares, Inc. Organizational Chart as of 12/31/2019\*



\* No entities have an LEI other than Live Oak Banking Company

Item 2

### Live Oak Ventures, Inc. Organizational Chart as of 12/31/2019\*



\* No entities have an LEI

Live Oak Bancshares, Inc.  
 Wilmington, NC 28403  
 2019 FRY-6  
 Item 2b.

**Results:** A list of branches for your depository institution: **LIVE OAK BANKING COMPANY (ID\_RSSD: 3650808)**.  
 This depository institution is held by **LIVE OAK BANCSHARES, INC. (3884863)** of **WILMINGTON, NC**.  
 The data are as of **12/31/2019**. Data reflects information that was received and processed through **01/07/2020**.

**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)	3650808	LIVE OAK BANKING COMPANY	1741 TIBURON DRIVE	WILMINGTON	NC	28403	NEW HANOVER	UNITED STATES	Not Required	Not Required	LIVE OAK BANKING COMPANY	3650808	

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12/31/2019

Item 3.1

List of individuals/companies that held voting securities of 5% or more at fiscal year end:

<b>(1)(a) Name/City, State, Country</b>	<b>(1)(b) Country of Citizenship or Incorporation</b>	<b>(1)(c) Number of Each Class of Voting Securities-All Voting Common Stock</b>	<b>(1)(c) Percentage of Each Class of Voting Securities-All Voting Common Stock</b>
<b>Mahan, III James S. Trustee of the James S. Mahan, III Revocable Trust under agreement dated August 22, 2006 Wilmington, NC, USA</b>	USA	6,403,739	17.12%
<b>T. Rowe Price Associates, Inc. Baltimore, MD, USA</b>	USA	5,175,793	13.84%
<b>RMB Capital Management, LLC Chicago, IL, USA</b>	USA	2,190,393	5.86%

Item 3.2

List of individuals/companies that held 5% or more voting securities during the year but not at the end of the year:

None

**Report Item 4: Insiders**

(1), (2), (3)(a)(b)(c), and 4(a)(b)(c)

*Note: See "Legend" below table for abbreviations used for subsidiary names.*

Name, City, State, Country	Occupation if other than with Bank Holding Company	Title & Position with Bank Holding Company	Title & Position with Subsidiaries	Title & Position with Other Businesses	Voting Shares/Percentage in Bank Holding Company	Percentage of Voting Shares in Subsidiaries	List names of other companies (includes partnerships) if 25% or more of voting securities are held
William H. Cameron Wilmington, NC USA	Partner and Principal of Cameron family businesses	Director	Director – Live Oak Bank	President – Cameron Management, Inc.  President – Dan Cameron Family Foundation (nonprofit)  President – Bayshore Estates, Inc.  President – TriState Properties, Inc.  Trustee – GST Exempt Trust FBO William H. Cameron  Trustee – William H. Cameron Revocable Trust  Trustee – 1986 Grandchildrens Trust	135,767 / 0.4% Common Stock  30,000 / 0.1% Options on Common Stock	n/a	Cameron Management, Inc. – 50%  Cameron HR, LLC – 58.34%  Mary Jo Pappas Designs, Inc. – 100%  WHC Holdings LLC – 100%  TriState Properties, Inc. – 100%

Name, City, State, Country	Occupation if other than with Bank Holding Company	Title & Position with Bank Holding Company	Title & Position with Subsidiaries	Title & Position with Other Businesses	Voting Shares/Percentage in Bank Holding Company	Percentage of Voting Shares in Subsidiaries	List names of other companies (includes partnerships) if 25% or more of voting securities are held
Diane B. Glossman New Hope, PA USA	Retired Investment Analyst and Consultant	Director	Director – Live Oak Bank	Director – Barclays US LLC  Director – Barclays Bank of Delaware  Director – Bucks County SPCA	32,102 / 0.1% Common Stock  30,000 / 0.1% Options on Common Stock	n/a	n/a
Glen F. Hoffsis Bonita Springs, FL USA	Special Assistant to the President of Lincoln Memorial University	Director	Director – Live Oak Bank	Trustee – Ross University Medical Group	94,192 / 0.3% Common Stock  24,000 / 0.1% Options on Common Stock	n/a	n/a
H. Kel Landis, III Raleigh, NC USA	Principal – Plexus Capital Management, LLC	Director	Director – Live Oak Bank	Principal – Plexus Capital Management, LLC	195,310 / 0.5% Common Stock  30,000 / 0.1% Options on Common Stock	n/a	n/a

Name, City, State, Country	Occupation if other than with Bank Holding Company	Title & Position with Bank Holding Company	Title & Position with Subsidiaries	Title & Position with Other Businesses	Voting Shares/Percentage in Bank Holding Company	Percentage of Voting Shares in Subsidiaries	List names of other companies (includes partnerships) if 25% or more of voting securities are held
James S. Mahan, III Wilmington, NC USA	n/a	Chairman, CEO and Director	Director, Chairman and CEO – Live Oak Bank  Director – Apiture  Director – GLS  Director, Chairman, CEO and Managing Director – LOV  CEO – LOCEF  Manager - LOPW  Director – Payrailz  Director, CEO and Managing Partner – Canapi  Chairman and CEO – Canapi SLP  Chairman and CEO – Canapi MM	Director – Plexus Capital Management, LLC  Director, President – Salt Water Fund (nonprofit corporation)	3,075,218 / 8.2% Common Stock (held by James S. Mahan Revocable Trust)  3,159,714 / 8.4% Common Stock (held by Marguerite D. Mahan Revocable Trust)  168,807 / 0.5% Common Stock (held by Salt Water Fund)	2.30% in Payrailz  4.95% in Finxact	Peapod II, LLC – 100%
Miltom E. Petty Burlington, NC USA	Chief Financial Officer – Carolina Hosiery Mills, Inc.	Director	Director – Live Oak Bank	CFO – Carolina Hosiery Mills, Inc.	91,512 / 0.2% Common Stock  30,000 / 0.1% Options on Common Stock	n/a	n/a

Name, City, State, Country	Occupation if other than with Bank Holding Company	Title & Position with Bank Holding Company	Title & Position with Subsidiaries	Title & Position with Other Businesses	Voting Shares/Percentage in Bank Holding Company	Percentage of Voting Shares in Subsidiaries	List names of other companies (includes partnerships) if 25% or more of voting securities are held
David G. Salyers Roswell, GA USA	Retired Chick-Fil-A, Inc. marketing executive	Director	Director – Live Oak Bank	Director – CenterState Bank Corporation	2,100 / 0.0% Common Stock	n/a	Champion Tribes, LLC – 33.33%%  LAND Dunwoody LLC – 80%  LAND Galleria LLC – 53.30%  LAND Roam LLC – 66.23%  Remarkable Movement LLC – 50%  LAND Buckhead LLC – 80%  Vantage I LLC – 72.42%  LAND Perimeter LLC – 65%  LAND Lenox LLC – 62%

Name, City, State, Country	Occupation if other than with Bank Holding Company	Title & Position with Bank Holding Company	Title & Position with Subsidiaries	Title & Position with Other Businesses	Voting Shares/Percentage in Bank Holding Company	Percentage of Voting Shares in Subsidiaries	List names of other companies (includes partnerships) if 25% or more of voting securities are held
Neil L. Underwood Wilmington, NC USA	n/a	President and Director	Director – Live Oak Bank  Director – Apiture  Director, President & Managing Director – LOV  President – LOCEF  Director – Payrailz  Director, President and Managing Director – Canapi  President – Canapi SLP  President – Canapi MM	Sole Owner – Underwood Ventures  Sole Owner – NuEquity  Director – DefenseStorm, Inc.	1,305,434 / 3.5% Common Stock	2.30% in Payrailz  2.0% in Finxact	Underwood Ventures – 100%  NuEquity – 100%
William L. Williams, III Wilmington, NC USA	n/a	Vice Chairman and Director	Director, Vice Chairman and EVP – Live Oak Bank  Director – GLS  EVP – LOCEF	n/a	1,286,520 / 3.4% Common Stock	n/a	Medical Park Hotels, LLC – 25%  Billee, LLC – 50%  WLW Family Holdings, LLC – 60%  Eucallee, LLC – 25%  The Beth and Lee Williams Foundation – 100%

Name, City, State, Country	Occupation if other than with Bank Holding Company	Title & Position with Bank Holding Company	Title & Position with Subsidiaries	Title & Position with Other Businesses	Voting Shares/Percentage in Bank Holding Company	Percentage of Voting Shares in Subsidiaries	List names of other companies (includes partnerships) if 25% or more of voting securities are held
S. Brett Caines Wilmington, NC USA	n/a	Chief Financial Officer	CFO – Live Oak Bank  Director, Treasurer – GLS  Director, CFO – LOV  CFO – LOCEF  Manager and CFO – LOPW  Director and CFO – Canapi  CFO – Canapi SLP  CFO – Canapi MM	n/a	263,952 / 0.7% Common Stock	n/a	n/a
Gregory W. Seward Wilmington, NC USA	n/a	General Counsel	General Counsel and Corp. Secretary – Live Oak Bank  General Counsel and Corp. Secretary - LOV  Corp. Secretary – GLS  General Counsel and Corp. Secretary – LOCEF	n/a	12,000 / 0.0% Common Stock  30,000 / 0.1% Options on Common Stock	n/a	n/a

Name, City, State, Country	Occupation if other than with Bank Holding Company	Title & Position with Bank Holding Company	Title & Position with Subsidiaries	Title & Position with Other Businesses	Voting Shares/Percentage in Bank Holding Company	Percentage of Voting Shares in Subsidiaries	List names of other companies (includes partnerships) if 25% or more of voting securities are held
			General Counsel and Corp. Secretary – LOPW  General Counsel and Corp. Secretary – Canapi  General Counsel and Corp. Secretary – Canapi SLP  General Counsel and Corp. Secretary – Canapi MM				
Steven J. Smits Wilmington, NC USA	n/a	Chief Credit Officer	CCO – Live Oak Bank  CCO – LOCEF	n/a	50,130 / 0.1% Common Stock  113,500 / 0.3% Options on Common Stock	n/a	n/a
J. Wesley Sutherland Wilmington, NC USA	n/a	Chief Accounting Officer	CAO – Live Oak Bank  CAO – LOV  CAO – LOCEF  CAO – Canapi  CAO – Canapi SLP  CAO – Canapi MM	n/a	34,462 / 0.1% Common Stock  30,000 / 0.1% Options on Common Stock	n/a	n/a

<b>Name, City, State, Country</b>	<b>Occupation if other than with Bank Holding Company</b>	<b>Title &amp; Position with Bank Holding Company</b>	<b>Title &amp; Position with Subsidiaries</b>	<b>Title &amp; Position with Other Businesses</b>	<b>Voting Shares/Percentage in Bank Holding Company</b>	<b>Percentage of Voting Shares in Subsidiaries</b>	<b>List names of other companies (includes partnerships) if 25% or more of voting securities are held</b>
T. Rowe Price Associates, Inc. Baltimore, MD USA*	Money Manager	Principal Shareholder	n/a	Unknown	5,175,793 / 13.84% Common Stock	n/a	Unknown

\*A Schedule 13G/A filed on February 14, 2020, by T. Rowe Price Associates, Inc. and T. Rowe Price Small-Cap Value Fund, Inc. reported beneficial ownership of 5,175,793 shares of voting common stock as of December 31, 2019, with (i) T. Rowe Price Associates, Inc. having sole voting power over 1,191,615 shares and sole dispositive power over 5,175,793 shares and (ii) T. Rowe Price Small-Cap Value Fund, Inc. having sole voting power over 2,207,186 shares.

*Legend:*

Apiture = Apiture LLC

Canapi = Canapi Advisors, LLC

Canapi MM = Canapi LOB MM, LLC

Canapi SLP = Canapi Ventures LOB SLP, LLC

Finxact = Finxact, Inc.

GLS = Government Loan Solutions, Inc.

Live Oak Bank = Live Oak Banking Company

LOCEF = Live Oak Clean Energy Financing LLC

LOPW = Live Oak Private Wealth, LLC

LOV = Live Oak Ventures, Inc. (f/k/a Canapi, Inc.)

Payrailz = Payrailz, LLC