

Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-6

APR 04 REC'D

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)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11(a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)) and section 10(c)(2)(H) of the Home Owners' Loan Act. 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 and top-tier savings and loan 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.

Date of Report (top-tier holding company's fiscal year-end):

December 31, 2015

Month / Day / Year

N/A

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

I, Edward C. Sterling

Name of the Holding Company Director and Official

Director - Secretary

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.

Reporter's Name, Street, and Mailing Address

Flagler Bancshares Corporation

Legal Title of Holding Company

555 Northlake Blvd

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

North Palm Beach

FL

33408

City

State

Zip Code

N/A

Physical Location (if different from mailing address)

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.

Person to whom questions about this report should be directed:

Alex Melton

SVP - Risk Management

Name

Title

561-841-3868

Area Code / Phone Number / Extension

561-494-0107

Area Code / FAX Number

amelton@flaglerbankusa.com

E-mail Address

N/A

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

Signature of Holding Company Director and Official

03/30/2016

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 4899967
 C.I. _____

Does the reporter request confidential treatment for any portion of this submission?

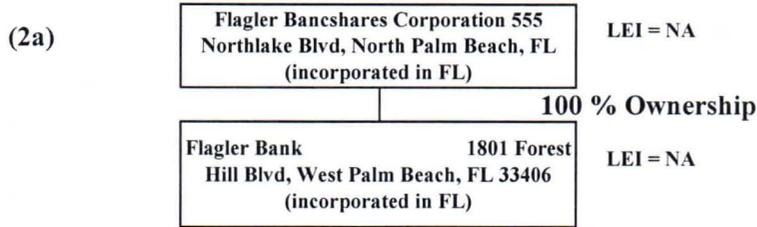
Yes Please identify the report items to which this request applies:

In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.
 The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

No

FLAGLER BANCSHARES CORPORATION

Organizational Chart - December 31, 2015



(2b) Flagler Bank Branch Listing

1801 Forest Hill Blvd
West Palm Beach, FL, 33406 USA
Opened 2000 - Full Service

555 Northlake Blvd
North Palm Beach, FL 33408 USA
Opened 2009 - Full Service

(3) Securities Holders

	Citizenship	Common	%	Options
Ronald Y Schram	Palm Beach, FL, USA USA	525,218 Shares	21.35%	25,000
Frank Hessel	Coral Gables, FL, USA USA	525,217 Shares	21.35%	10,000
Elliot Horowitz	Los Angeles, CA, USA USA	243,482 Shares	9.89%	
Arnold Lampert	Palm Beach Gardens, FL, USA USA	166,666 Shares	6.78%	
John Irwin	Greenwich, CT, USA USA	133,333 Shares	5.42%	

(4) Insiders

	Position	Occupation	% Voting	Direct/Indirect
Ronald Y Schram	President / Director	Real Estate	21.35	Only Flagler Bank
Edward Sterling	COB / Secretary	Flagler President	2.53	Only Flagler Bank
Frank Hessel	Director	Real Estate	21.35	Only Flagler Bank
Ron Mackail	Director	Accounting	0.47	Only Flagler Bank
Gary Walk	Director	Attorney	2.52	Only Flagler Bank
Arnold Lampert	Director	Retired	6.78	Only Flagler Bank
Gerry Goldsmith	Director	Retired	0	Only Flagler Bank
Herbert Weiss	Director	Furniture	1.42	Only Flagler Bank

REVISED
5/17/16