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Board of Governors of the Federal Reserve System

MAR 27 2014



Annual Report of Holding Companies—FR Y-6
Supervision, Regulation, and Credit Department

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, 2013

Month / Day / Year

I, Chester A. Rice

Name of the Holding Company Director and Official

Chairman of the Board

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

Damariscotta Bankshares, Inc.

Legal Title of Holding Company

PO Box 999

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

Damariscotta ME 04543

City State Zip Code

25 Main Street

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:

Scott D. Conant President

Name Title

207-563-8121 136

Area Code / Phone Number / Extension

207-563-8345

Area Code / FAX Number

sconant@damariscottabank.com

E-mail Address

www.damariscottabank.com

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

Chester A. Rice
Signature of Holding Company Director and Official

March 21, 2014

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 114 3285-530703
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

Damariscotta Bankshares, Inc.
Annual Report of Holding Companies
FR Y-6
December 31, 2013

Item 1a: Form 10-k filed with the Securities and Exchange Commission

Not Applicable

Item 1b: Annual Reports to Shareholders

Enclosed

Item 1.2: Domestic Branch Verification

See page 6

Item 2: Organization chart

Damariscotta Bankshares, Inc.
Damariscotta, Maine
(Incorporated in the State of Maine)

100 percent of the 14,400 shares of
common stock authorized and
outstanding

Damariscotta Bank & Trust Co.
Damariscotta, Maine
(Incorporated in the State of Maine)

(a) Companies in which holdings resulting from previously contracted debts exceed five percent:

None

(b) Companies held directly or indirectly in a fiduciary capacity:

None

(c) Banks or Holding Companies held directly or indirectly by a subsidiary bank or subsidiary company:

None

(d) Investments in excess of twenty-five percent of any class of non-voting bank of bank holding company equity:

None

ESOP Trustees:

John C. Harris
John R. Hilton
Allen D. Holmes
Clayton N. Howard
Scott D. Conant

John E. Reny
Chester A. Rice
Gary E. Sukeforth
Dale E. Leighton

ESOP Voting Provisions:

5.5 **VOTING OF EMPLOYER STOCK.** Employer stock held by the trustee for a participant's account shall be voted by the trustee as the administrator directs in writing; provided, however, that if employer stock is allocated to a participant's account the participant shall direct the trustee as to the manner in which such employer stock is voted only with respect to a corporate matter which by charter of the employer or operation of Maine law must be decided by more than a majority vote of outstanding employer stock voted.

(2) Shareholders not listed above - None

Item 3: (1) Shareholders

Name/Address	Citizenship/ Incorporation	Common # Of shares	Stock % Of total
Clayton N. Howard P.O. Box 460 Damariscotta, ME 04540	US	65,254	5.2
John R. Hilton P.O. Box 720 Damariscotta, ME 04540	US	96,903	7.7
Damariscotta Bankshares, Inc. ESOP 20 Main Street Damariscotta, ME 04540	US	81,051	6.4
Rebecca L. Bickmore P.O. Box 337 Damariscotta, ME 04540	US	78,969	6.3
John E. Reny 41 Reny Road Round Pond, ME 04504	US	103,607	8.2
Samuel E. Roberts 55 Portland Hill Road Nobleboro, ME 04556	US	65,663	5.2

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Item (4) – Directors and Officers

Name and Address	Principal occupation	Title and position with Holding Co.	Title and position with Bank	Title and position with other Businesses	Percentage of Holding Co. voting shares	Percentage of Bank voting shares	Other companies, percentage of voting securities held
John C. Harris [REDACTED] [REDACTED] [REDACTED]	Retired	Director	Director	None	2.5	None	None
John R. Hilton [REDACTED] [REDACTED] [REDACTED]	Retired	Director	Director	None	7.7	None	None
Allen D. Holmes [REDACTED] [REDACTED]	Retired	Director	Director	Co-owner	0.1	None	Holmes Greenhouse and Florist 50%
Clayton N. Howard [REDACTED] [REDACTED] [REDACTED]	Attorney	Director and Clerk	Director and Clerk	President Member Shareholder	5.2	None	Howard & Bowie 100% Lee Properties, LLC. 100% Creative Well, LLC 50%
Dale E. Leighton [REDACTED] [REDACTED]	Modular Home Sales	Director	Director	President	0.1	None	The Leighton Group, Inc. 100%

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Item (4) – Directors and Officers (continued)

Name and Address	Principal occupation	Title and position with Holding Co.	Title and position with Bank	Title and position with other Businesses	Percentage of Holding Co. voting shares	Percentage of Bank voting shares	Other companies, percentage of voting securities held
John E. Reny [REDACTED] [REDACTED] [REDACTED]	Retail	Vice Chairman of the Board	Vice Chairman of the Board	President	8.2	None	R H Reny, Inc. 40%
Chester A. Rice [REDACTED] [REDACTED] [REDACTED]	Retired	Chairman of the Board	Chairman of the Board	President	1.1	None	K.E.A., Inc. 100%
Gary E. Sukeforth [REDACTED] [REDACTED] [REDACTED]	Grocery Store Owner	Director	Director	President	0.0	None	GES, Inc. 100%
Scott D. Conant [REDACTED] [REDACTED] [REDACTED]	Banking	President	President & CEO	None	0.7	None	None
Grace S. Shorey [REDACTED] [REDACTED] [REDACTED]	Banking	Treasurer	AVP and Treasurer	None	0.0	None	None



Domestic Branch Verification

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
	✓	Full Service (Head Office)	530703	25 MAIN STREET	25 MAIN STREET	DAMARIS COTTA	ME	04543	LINCOLN	USA	14460	0	DAMARIS COTTA BANK & TRUST CO.	530703	
	✓	Full Service	3149357	RENY'S BELFAST PLAZA BRANCH	BELMONT AVENUE	BELFAST	ME	04915	WALDO	USA	251925	3	DAMARIS COTTA BANK & TRUST CO.	530703	
	✓	Full Service	3942736	619 MAIN STREET BRANCH	619 MAIN STREET	DAMARIS COTTA	ME	04543	LINCOLN	USA	477931	5	DAMARIS COTTA BANK & TRUST CO.	530703	
	✓	Full Service	439806	BRISTOL BRANCH	2578 BRISTOL ROAD	NEW HARBOR	ME	04554	LINCOLN	USA	251923	1	DAMARIS COTTA BANK & TRUST CO.	530703	
	✓	Full Service	3149348	SENNEBEC ROAD BRANCH	17 SENNEBEC ROAD	UNION	ME	04862	KNOX	USA	365006	4	DAMARIS COTTA BANK & TRUST CO.	530703	
	✓	Full Service	1393893	WARREN BRANCH	289 CAMDEN ROAD	WARREN	ME	04864	KNOX	USA	251924	2	DAMARIS COTTA BANK & TRUST CO.	530703	