

Board of Governors of the Federal Reserve System



FEDERAL RESERVE BANK
 OF CLEVELAND

Annual Report of Holding Companies — FR Y-6

STATISTICS & ANALYSIS
 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, Donald F. Kiefer, Partner

Reporter's Name, Street, and Mailing Address

Lawrence Keister & Co

Legal Title of Holding Company

150 Pittsburgh St.

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

Scottsdale PA 15683

City

State

Zip Code

Physical location (if different from mailing address)

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.

Person to whom questions about this report should be directed:
Lawrence Kiefer Partner

Name

724-628-3200

Title

Area Code / Phone Number / Extension

Area Code / FAX Number

Lkiefer@sbtbank.com

E-mail Address

Donald F. Kiefer
 Signature of Holding Company Director and Official

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

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 1069273
 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

Lawrence Keister & Co.
Annual report of Bank Holding Co. - FRY 6
As of December 31, 2013

Item 1A: Organization Chart

Lawrence Keister & Co.
(One bank Holding Co.)
150 Pittsburgh St
Scottdale PA 15683
Not a corporation; not incorporated in any state

|
Scottdale Bank & Trust Co.
(Subsidiary Bank)
150 Pittsburgh St
Scottdale PA 15683
Incorporated in Pennsylvania

Results: A list of branches for your depository institution: SCOTSDALE BANK & TRUST CO. THE HD, RSSD: 189820
 This depository institution is held by LAWRENCE MASTER & COMPANY LLC, SCOTSDALE, PA
 The data are as of 12/31/2013. Data reflects information that was received and processed through 01/09/2014

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*
ok	12/31/2013	Full Service (Head Office)	189820	SCOTSDALE BANK & TRUST CO. THE	150 PITTSBURGH ST.	SCOTSDALE	PA	15683-173	WESTMORELAND	UNITED STATES	6857	0	SCOTSDALE BANK & TRUST CO. THE	189820
ok	12/31/2013	Full Service	155722	CONNELLSVILLE BRANCH	125 SOUTH ARCH ST	CONNELLSVILLE	PA	15425	FAYETTE	UNITED STATES	15415	1	SCOTSDALE BANK & TRUST CO. THE	189820
ok	12/31/2013	Full Service	281920	COUNTRYSIDE BRANCH	ROUTE 819 SOUTH	MOUNT PLEASANT	PA	15666	WESTMORELAND	UNITED STATES	254205	2	SCOTSDALE BANK & TRUST CO. THE	189820
ok	12/31/2013	Full Service	3517107	TRITOWN OFFICE	123 MAIN STREET	VANDERBILT	PA	15486	FAYETTE	UNITED STATES	222893	3	SCOTSDALE BANK & TRUST CO. THE	189820

LAWRENCE KEISTER & CO
REPORT ITEMS
December 31, 2013

1 SCHEDULES ATTACHED

2 Lawrence Keister & Co. owns 25801 shares or 50.87% of the outstanding stock of the
Scottdale Bank & Trust Co. located in Scottdale, PA

2A. SCHEDULES ATTACHED

2B. SCHEDULES ATTACHED

3A. Shareholders

Partners	% Owned	Occupation
Marilyn K. Andras, Acme, PA, USA US Citizen	13.8141	Banker
Karen L. Kiefer, Scottdale, PA, USA, US Citizen	15.9292	Attorney
Donald F. Kiefer, Scottdale, PA, USA, US Citizen	17.2092	Banker
Lawrence J Kiefer, Smithfield, PA, USA, US Citizen	15.9292	Banker
Bruce A Kiefer, Palmyra, PA, USA, US Citizen	15.9292	Chemist
Kimberly K Best, Edgewater, MD, USA, US Citizen	15.9292	Admin Assistant

3B. N/A

4 Insiders:


Partners	% Owned	Occupation
Marilyn K. Andras, Acme, PA, USA US Citizen	13.8141	Banker
Karen L. Kiefer, Scottdale, PA, USA, US Citizen	15.9292	Attorney
Donald F. Kiefer, Scottdale, PA, USA, US Citizen	17.2092	Banker
Lawrence J Kiefer, Smithfield, PA, USA, US Citizen	15.9292	Banker
Bruce A Kiefer, Palmyra, PA, USA, US Citizen	15.9292	Chemist
Kimberly K Best, Edgewater, MD, USA, US Citizen	15.9292	Admin Assistant

There are no title or postions in the holding company all the above are
general partners

Changes in investment activities

The Lawrence Keister & Co. confirms that all changes in investment
required to be filed on the FR Y-6A. Bank Holding company report of
changes in investment or activities, have been reported to the Federal Reserve.

Confirmation


Signature and Title

LAWRENCE KEISTER & CO.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2012 & 2013

ASSETS	12/31/13	12/31/12
CASH	\$ 330,915.42	\$ 289,332.25
INVESTMENT RECEIVABLE	19,197.36	-
	<u>\$ 350,112.78</u>	<u>\$ 289,332.25</u>

INVESTMENTS:

INVESTMENT IN BANK SUBSIDIARY (NOTE 1 & 2)	\$ 24,895,134.97	\$ 24,054,897.83
OTHER INVESTMENTS	8,489,759.83	6,896,108.18
TOTAL INVESTMENTS	<u>\$ 33,384,894.80</u>	<u>\$ 30,951,006.01</u>
TOTAL ASSETS	<u>\$ 33,735,007.58</u>	<u>\$ 31,240,338.26</u>

CAPITAL ACCOUNTS	\$ 33,735,007.58	\$ 31,240,338.26
TOTAL CAPITAL ACCOUNTS	<u>\$ 33,735,007.58</u>	<u>\$ 31,240,338.26</u>

LAWRENCE KEISTER & CO.
STATEMENT OF INCOME, EXPENSE, AND CAPITAL ACCOUNTS
AS OF DECEMBER 31, 2012 & 2013

	12/31/13	12/31/12
INCOME		
DIVIDEND INCOME	\$ 372,690.23	\$ 549,083.76
INTEREST INCOME	11,930.92	13,360.70
NET INCOME FROM BANK SUBSIDIARY	915,983.76	766,183.86
TOTAL INCOME	\$ 1,300,604.91	\$ 1,328,628.32
EXPENSES		
CLERICAL & ACCOUNTING	\$ 1,425.00	\$ 1,425.00
MAINTENANCE	-	-
INSURANCE	-	-
TAXES	-	-
TOTAL EXPENSES	\$ 1,425.00	\$ 1,425.00
NET INCOME	\$ 1,299,179.91	\$ 1,327,203.32
CAPITAL AS OF JANUARY 01	\$ 31,240,338.26	\$ 29,543,944.40
NET INCOME	\$ 1,299,179.91	\$ 1,327,203.32
LESS: CAPITAL DISTRIBUTION	\$ 300,000.00	\$ 240,000.00
LESS: TREASURY STOCK IN BANK SUBSIDIARY	\$ -	\$ -
NET UNREALIZED GAINS (LOSSES) ON AVAILABLE FOR SALE SECURITIES	\$ 1,495,489.41	\$ 609,190.54
CAPITAL AS OF DECEMBER 31	\$ 33,735,007.58	\$ 31,240,338.26

LAWRENCE KEISTER & CO
STATEMENT OF CASH FLOWS
AS OF DECEMBER 31, 2012 & 2013

	12/31/13	12/31/12
CASH FLOWS FROM OPERATING ACTIVITIES		
NET INCOME	\$1,299,179.91	\$1,327,203.32
ADD (DEDUCT) TO RECONCILE NET INCOME TO NET CASH FLOWS		
DEPRECIATION	0.00	0.00
INVESTMENT RECEIVABLE	0.00	0.00
INCREASE IN BANK SUBSIDIARY INVESTMENT	-915,983.76	-766,183.86
NET CASH FLOWS FROM OPERATING ACTIVITIES	383,196.15	561,019.46
CASH FLOWS FROM INVESTING ACTIVITIES		
CHANGE IN OTHER INVESTMENTS	-41,612.98	-104,845.27
CASH FLOWS FROM FINANCING ACTIVITIES		
PAID CAPITAL DISTRIBUTION	-300,000.00	-240,000.00
NET INCREASE (DECREASE) IN CASH	41,583.17	216,174.19
CASH BALANCE AS OF JANUARY 01	289,332.25	73,158.06
CASH BALANCE AS OF DECEMBER 31	\$330,915.42	\$289,332.25

LAWRENCE KEISTER & CO.
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2012 & 2013

NOTE 1:

SIGNIFICANT ACCOUNTING POLICIES

METHOD OF ACCOUNTING

The Partnership Financial Statements are prepared on the accounting basis used for Federal Income Tax purpose. Thus revenues and their related assets are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred, with the following exceptions:

1. The Partnership uses the same method of depreciation for both financial statement and income tax purposes. As provided in the Economic Recovery Tax Act of 1981, the Partnership uses the Accelerated Cost Recovery System (ACRS) for assets purchased after December 31, 1980.
2. The Partnership owns 50.77% of the outstanding shares of The Scottsdale Bank & Trust Co. This allows the Partnership to have significant control of the bank. The investment is accounted for using the Equity method of Accounting under which the Partnership's share of earnings or losses of this affiliate is adjusted through the investment account of this affiliate. This accounting method is not in accordance with Generally Accepted Accounting Principles.

NOTE 2: INVESTMENTS

BANK SUBSIDIARY

As noted above the Partnership has significant control of The Scottsdale Bank & Trust Co. The investment is accounted as follows:

	12/31/13	12/31/12
Cost	\$ 331,251.54	\$ 331,251.54
Add:		
Net Income from Bank Subsidiary	\$ 1,122,391.76	\$ 1,152,848.86
Previous Years Net Income From Bank Subsidiary	\$ 25,018,460.93	\$ 23,865,612.07
Net Unrealized Gains (Losses) on Available For Sale Securities From Bank Subsidiary	\$ 2,021,499.55	\$ 2,097,246.17
Less: Dividends Received	\$ 2,224,552.00	\$ 2,018,144.00
Less: Treasury Stock from Bank Subsidiary	\$ 1,373,916.81	\$ 1,373,916.81
Investment in Bank Subsidiary	<u>\$ 24,895,134.97</u>	<u>\$ 24,054,897.83</u>

LAWRENCE KEISTER & CO
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2012 & 2013

NOTE 3: Income Taxes

The Partnership was formed on December 23, 1938, and is required to file a U.S. Partnership Return of Income. The Internal Revenue Service does not recognize partnerships as a tax paying entity and therefore requires that the income or loss be passed through to the individual partners, whether or not, the partners' actually receive the income. The individual partners are responsible for any tax deficiency in or assessments of Federal Taxes arising from possible future examinations.