Annual Report of Holding Companies—FRY-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)); 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.

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.

i. Lawrence Safarek

Date of Report (top-tier holding company’s fiscal year-end):
December 31, 2013

Reporter’s Name, Street, and Mailing Address
First Niles Financial, Inc.
55 N. Main Street - P.O. Box 311
Niles OH 4446-0311

Person to whom questions about this report should be directed:
Lawrence Safarek
330-652-2539
lsafarek@homefedniles.com

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

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

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.25 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.

12/2012
Form FR Y-6

First Niles Financial, Inc.
Niles, Ohio
Fiscal Year Ending December 31, 2013

1: The savings and loan holding company prepares an annual report for its securities holders and is not registered with the SEC. As specified by the responsible Reserve Bank, 1 copy is enclosed.

2a: Organizational Chart

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First Niles Financial, Inc.
Niles, Ohio
Incorporated in Delaware

100%

Home Federal Savings and Loan Association of Niles
Niles, Ohio
Incorporated in Ohio
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2b: Domestic branch listing provided to the Federal Reserve bank.

Sent by email on 03-25-14.
Form FR Y-6

First Niles Financial, Inc.
Niles, Ohio
Fiscal Year Ending December 31, 2013

Report Item 3(1): Securities holders

Current securities holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2013. All securities are common shares.

<table>
<thead>
<tr>
<th>Name</th>
<th>Citizenship or Incorporation</th>
<th>Number &amp; % of Voting Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shirley Stephens</td>
<td>*1 USA</td>
<td>68,629 - 6.2%</td>
</tr>
<tr>
<td>Niles, OH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert I. Shaker</td>
<td>*2 USA</td>
<td>N/A</td>
</tr>
<tr>
<td>Solon, Ohio</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lawrence Safarek</td>
<td>*3 USA</td>
<td>79,432 - 7.1%</td>
</tr>
<tr>
<td>Youngstown, OH</td>
<td>*4 USA</td>
<td>11,148 - 1.0%</td>
</tr>
<tr>
<td>FNFI - ESOP</td>
<td>*5 USA</td>
<td>170,637 -15.3%</td>
</tr>
<tr>
<td>Niles, OH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peter C. Gargano</td>
<td>USA</td>
<td>57,658 - 5.2%</td>
</tr>
<tr>
<td>Niles, OH</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Report Item 3(2): Securities holders

Securities holders with ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12-31-2013 and not listed in 3(1). All securities are common shares.

None.

*1 Includes children and grandchildren.
*2 Due to a clerical error, Mr. Shaker's holding as of 12-31-12 were incorrectly reported. The correct numbers for 12-31-12 were 48,631 shares and 4.3%. See Item 4 for Mr. Shaker's current percentage.
*3 Includes 43,457 shares held in ESOP and also reported in ESOP.
*4 Option to purchase @ $12.53 per share.
*5 Vested shares are voted by the vested ESOP participants.
Report Item 4: Insiders

<table>
<thead>
<tr>
<th>Name</th>
<th>Principal</th>
<th>Title &amp; Position</th>
<th>Title &amp; Position with subsidiary</th>
<th>% of voting</th>
<th>Shares in</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert I. Shaker</td>
<td>Attorney</td>
<td>Director</td>
<td>Director</td>
<td>4.6%</td>
<td>*2</td>
</tr>
<tr>
<td>Solon, Ohio, USA</td>
<td>Shaker &amp; Shaker</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Christopher J. Shaker</td>
<td>Attorney</td>
<td>N/A</td>
<td>N/A</td>
<td>4.1%</td>
<td>*3</td>
</tr>
<tr>
<td>Niles, Ohio, USA</td>
<td>Shaker &amp; Shaker</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lawrence Safarek</td>
<td>President</td>
<td>Director &amp;</td>
<td>Director &amp;</td>
<td>7.1%</td>
<td>*4</td>
</tr>
<tr>
<td>Youngstown, Ohio, USA</td>
<td>HFSL of</td>
<td>President</td>
<td>President</td>
<td>1.0%</td>
<td>*5</td>
</tr>
<tr>
<td>Daniel E. Csontos</td>
<td>V. P.</td>
<td>Director &amp;</td>
<td>Director &amp;</td>
<td>3.7%</td>
<td>*6</td>
</tr>
<tr>
<td>Howland, Ohio, USA</td>
<td>HFSL of</td>
<td>Vice President</td>
<td>Vice President</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P. James Kramer</td>
<td>President</td>
<td>Director &amp;</td>
<td>Director &amp;</td>
<td>0.8%</td>
<td></td>
</tr>
<tr>
<td>Girard, Ohio, USA</td>
<td>Kramer &amp; Sons - HVAC</td>
<td>Director &amp;</td>
<td>Chairman</td>
<td></td>
<td></td>
</tr>
<tr>
<td>William S. Eddy</td>
<td>Dr. &amp; President</td>
<td>Director</td>
<td>Director</td>
<td>0.2%</td>
<td></td>
</tr>
<tr>
<td>Niles, Ohio, USA</td>
<td>Clinic of Osteopathic Medicine, Inc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*1 Home Federal Savings and Loan Association of Niles
*2 Due to a clerical error, Mr. Shaker’s holding as of 12-31-12 were incorrectly reported. The correct percentage as of 12-31-12 was 4.3%.
*3 Sibling of Robert I. Shaker.
*4 Includes 43,457 shares (3.9%) held in ESOP.
*5 Vested stock options exerciserable at $12.53 per common share.
*6 Includes 25,459 shares (2.3%) held in ESOP.
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 UNIFORM, Office Number, and ID, RSSD columns are for reference only. Verification of these values is not required.

<table>
<thead>
<tr>
<th>Data</th>
<th>Effective Branch Service Type</th>
<th>Branch</th>
<th>Popular Name</th>
<th>Street</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
<th>County</th>
<th>Country</th>
<th>FDIC Office</th>
<th>Head Office</th>
<th>Head Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>OK</td>
<td>Full Service (Head Office)</td>
<td>71073</td>
<td>HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF NILES OHIO</td>
<td>55 N MAIN ST</td>
<td>OH</td>
<td>44466</td>
<td></td>
<td>TRUMBUL</td>
<td>UNITED STATES</td>
<td>41183</td>
<td>HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF NILES OHIO</td>
<td>71073</td>
</tr>
</tbody>
</table>