

PEOPLES BANCORP OF NORTH CAROLINA INC  
 Form 5  
 February 14, 2017

# FORM 5

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).  
 Form 3 Holdings Reported Form 4 Transactions Reported

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person \*  
 HOWARD DOUGLAS S

2. Issuer Name and Ticker or Trading Symbol  
 PEOPLES BANCORP OF NORTH CAROLINA INC [PEBK]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
 12/31/2016

Director  10% Owner  
 Officer (give title below)  Other (specify below)

518 WEST C STREET

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Reporting

(check applicable line)

NEWTON, NC 28658

(City) (State) (Zip)

Form Filed by One Reporting Person  
 Form Filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |                  | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------------|--|--|---|
|                                 |                                      |  |                                | Amount  | (A) or (D) Price |  |  |   |
| Common Stock                    | 01/29/2016                           | Â  | L(8)                           | 70  | A \$ 19.2192     | 13,195.9319  | D  | Â   |
| Common Stock                    | 02/16/2016                           | Â  | L(8)                           | 38  | A \$ 18.7862     | 13,233.9319  | D  | Â   |
| Common Stock                    | 02/24/2016                           | Â  | L(8)                           | 39  | A \$ 18.7869     | 13,272.9319  | D  | Â   |
| Common Stock                    | 05/02/2016                           | Â  | L(8)                           | 106   | A \$ 19.3496     | 13,378.9319  | D  | Â   |
|                                 | 06/15/2016                           | Â  | L(8)                           | 42  | A \$ 19.445      | 13,420.9319  | D  | Â   |

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|              |            |   |                  |     |   |            |             |   |   |                      |
|--------------|------------|---|------------------|-----|---|------------|-------------|---|---|----------------------|
| Common Stock |            |   |                  |     |   |            |             |   |   |                      |
| Common Stock | 07/28/2016 | Â | L <sup>(8)</sup> | 104 | A | \$ 20.6    | 13,524.9319 | D | Â |                      |
| Common Stock | 09/01/2016 | Â | L <sup>(8)</sup> | 35  | A | \$ 22.1399 | 13,559.9319 | D | Â |                      |
| Common Stock | 09/06/2016 | Â | L <sup>(8)</sup> | 492 | A | \$ 21.8867 | 14,051.9319 | D | Â |                      |
| Common Stock | 10/28/2016 | Â | L <sup>(8)</sup> | 103 | A | \$ 20.9899 | 14,154.9319 | D | Â |                      |
| Common Stock | 11/30/2016 | Â | L <sup>(8)</sup> | 32  | A | \$ 22.8999 | 14,186.9319 | D | Â |                      |
| Common Stock | Â          | Â | Â                | Â   | Â | Â          | 450         | I |   | shares owned by wife |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year)       | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Restricted Stock Units <sup>(1)</sup>      | Â  | 03/22/2012 <sup>(3)</sup>            | Â  | A                              | 810 Â   | Date Exercisable: 03/22/2017 Expiration Date: Â <sup>(7)</sup> | Common Stock  | 810                           |
| Restricted Stock Units <sup>(1)</sup>      | Â  | 05/23/2013 <sup>(4)</sup>            | Â  | A                              | 810 Â   | Date Exercisable: 05/23/2017 Expiration Date: Â <sup>(7)</sup> | Common Stock  | 810                           |
| Restricted Stock Units <sup>(1)</sup>      | Â  | 02/20/2014 <sup>(5)</sup>            | Â  | A                              | 650 Â   | Date Exercisable: 02/20/2017 Expiration Date: Â <sup>(7)</sup> | Common Stock  | 650                           |
|  | Â  | 02/19/2015 <sup>(6)</sup>            | Â  | A                              | 375 Â   | Date Exercisable: 02/19/2019 Expiration Date: Â <sup>(7)</sup> |   | 375                           |

Restricted  
Stock  
Units (1)

Common  
Stock

## Reporting Owners

| Reporting Owner Name / Address                            | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| HOWARD DOUGLAS S<br>518 WEST C STREET<br>NEWTON, NC 28658 | X             | A         | A       | A     |

## Signatures

Douglas S.  
Howard

02/14/2017

\_\_Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The Restricted Stock Units ("RSUs") reported herein were previously reported in Table I on Form 4 or Form 5 filed with the SEC on the applicable grant date or at year end. The purpose of this filing is to remove the RSUs from Table I and report them instead in Table II. The revised number of Non-Derivative Securities owned is disclosed in Table I.
- (2) Each RSU represents the contingent right to receive either one share of Common Stock or a cash payment equal to the fair market value of one share of Common Stock, in each case upon vesting of the RSU and in accordance with the terms of the RSU Award Agreement.
- (3) RSUs granted on 3/22/2012 vest 100% on 3/22/2017. Upon vesting, the reporting person will receive 1/3 of the RSUs in the form of cash and 2/3 in the form of shares of Common Stock.
- (4) RSUs granted on 5/23/2013 vest 100% on 5/23/2017. Upon vesting, the reporting person will receive 1/3 of the RSUs in the form of cash and 2/3 in the form of shares of Common Stock.
- (5) RSUs granted on 2/20/2014 vest 100% on 2/20/2017. Upon vesting, the reporting person will receive 1/3 of the RSUs in the form of cash and 2/3 in the form of shares of Common Stock.
- (6) RSUs granted on 2/19/2015 vest 100% on 2/19/2019. Upon vesting, the reporting person will receive 1/3 of the RSUs in the form of cash and 2/3 in the form of shares of Common Stock.
- (7) No Expiration Date.
- (8) Shares acquired through Directors and Officers Deferral Plan.

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