

PEOPLES BANCORP OF NORTH CAROLINA INC  
 Form 4  
 November 13, 2007

**FORM 4**

**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).

**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**BEAMAN JOSEPH F JR**

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)  
**P.O. BOX 467**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**11/09/2007**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**Exec Vice Pres and CAO**

**NEWTON, NC 268580467**

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**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 Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  | Code                           | V   | Amount or Price   |  |                                   |
| Common Stock                    | 11/09/2007                           |  | M <sup>(1)</sup>               |   | 3,897 A \$ 9.02   | 6,319.6346   | D                                 |
| Common Stock                    | 11/09/2007                           |  | S                              |   | 3,497 <sup>(3)</sup> D \$ 16.27   | 2,822.6346   | D                                 |
| Common Stock                    | 11/09/2007                           |  | S                              |   | 100 D \$ 16.5   | 2,722.6346   | D                                 |
| Common Stock                    |                                      |  |                                |   |   | 3,076.1096   | D <sup>(2)</sup>                  |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares                                       |

## Reporting Owners

| Reporting Owner Name / Address                             | Relationships |           |                        |       |
|--|---------------|-----------|------------------------|-------|
|  | Director      | 10% Owner | Officer                | Other |
| BEAMAN JOSEPH F JR<br>P.O. BOX 467<br>NEWTON, NC 268580467 |               |           | Exec Vice Pres and CAO |       |

## Signatures

Joseph F. Beaman, Jr. 11/13/2007

\*\*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) Exercised remaining stock options issued 9/28/99
- (2) Shares owned as joint tenants with Wife
- (3) 1,347 shares that were retained from the 2006 exercise transaction were sold, and 2,250 of the current exercise transaction were sold - for a total of 3,597 shares sold. 3,497 @ \$16.27; 100 shares @ \$16.50

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.