ZACHARY BENJAMIN I

Form 4

December 20, 2005

FORM 4

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

OMB Number:

response...

3235-0287

0.5

if no longer subject to Section 16.

Check this box

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

Estimated average burden hours per

OMB APPROVAL

Form 4 or Form 5 obligations may continue. See Instruction

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(b).

(Print or Type Responses)

ZACHARY BENJAMIN I Syr			Symbol	2. Issuer Name and Ticker or Trading Symbol PEOPLES BANCORP OF NORTH				5. Relationship of Reporting Person(s) to Issuer			
			CAROLINA INC [PEBK]					(Check all applicable)			
(Last)	(Month/			nth/Day/Year)				_X_ Director 10% Owner Officer (give title Other (specify below)			
518 WEST C STREET			12/19/2005								
(Street)				endment, I	Date Original	l	6.	6. Individual or Joint/Group Filing(Check			
Fil				onth/Day/Ye	ear)			Applicable Line) _X_ Form filed by One Reporting Person			
NEWTON, NC 28658				Pe				Form filed by More than One Reporting Person			
(City)	(State)	(Zip)	Tal	ble I - Non-	-Derivative	Secur	ities Acquire	ed, Disposed of, o	or Beneficially	y Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deeme Execution any (Month/Da	Date, if	3. Transactic Code (Instr. 8)	4. Securitie orDisposed o (Instr. 3, 4	f (D)	uired (A) or Price	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 Indirect Beneficial Ownership (Instr. 4)	
Common Stock	12/19/2005			<u>J(1)</u>	30.0603	A	\$ 23.5962	6,478.2887	D		
Common Stock	12/08/2005			G(2)	22	A	\$ 0	6,500.2887	D		

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.

SEC 1474

(9-02)

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

1. Title of	2.	3. Transaction Date		4.	5.	6. Date Exerc		7. Title		8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transaction	onNumber	Expiration D	ate	Amoun	t of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underly	ying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securiti	ies	(Instr. 5)	Bene
	Derivative				Securities			(Instr. 3	3 and 4)		Owne
	Security				Acquired						Follo
	J				(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						(227042
					4, and 5)						
					¬, and 3)						
								A	Amount		
						D.	Б	C	or		
						Date	Expiration ble Date	Title Number	Number		
						Exercisable		C	of		
				Code V	(A) (D)			5	Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
ZACHARY BENJAMIN I 518 WEST C STREET NEWTON, NC 28658	X						

Signatures

Reporting Person

Benjamin I.

Zachary

**Signature of 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) Dividend Reinvestment Plan
- (2) 22 shares received for 10 Year Service Award

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.

Reporting Owners 2