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 FEDERAL RESERVE BANK
 OF CLEVELAND

Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-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)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). 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, top-tier savings and loan holding companies, and U.S. intermediate 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. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

I, Ray J. Kaltenbaugh

Name of the Holding Company Director and Official

President

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.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Ray J. Kaltenbaugh

Signature of Holding Company Director and Official

03/25/2019

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
 C.I.

1247183

Date of Report (top-tier holding company's fiscal year-end):

December 31, 2018

Month / Day / Year

549300UJ10PYJYN1177

Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

Mercer County State Bancorp, Inc.

Legal Title of Holding Company

3279 South Main Street, P.O. Box 38

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

Sandy Lake

PA

16145

City

State

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Ray J. Kaltenbaugh

President

Name

Title

724-376-7015 4620

Area Code / Phone Number / Extension

724-376-3357

Area Code / FAX Number

r3kal@mcsbank.net

E-mail Address

www.mcsbank.net

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

Is confidential treatment requested for any portion of this report submission? No Yes

In accordance with the General Instructions for this report (check only one),

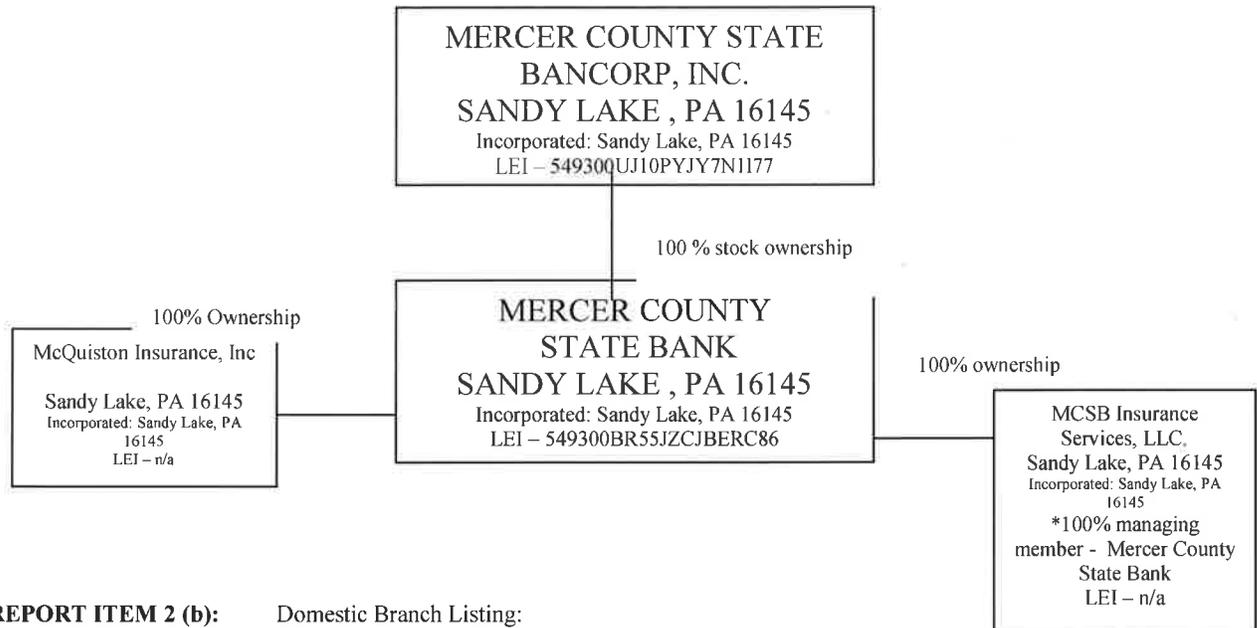
- 1. a letter justifying this request is being provided along with the report
- 2. a letter justifying this request has been provided separately ...

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

MERCER COUNTY STATE BANCORP, INC.
FORM FR Y-6
2018

REPORT ITEM 1: Mercer County State Bancorp, Inc.'s annual report to shareholders is attached.

REPORT ITEM 2 (a): Organization chart of holding company:



REPORT ITEM 2 (b): Domestic Branch Listing:

There are 12 Reportable Branch listings for Mercer County State Bank:

- | | |
|---|--|
| <p>1. Mercer County State Bank
Main Office
Opened - 6/20/1911
Mercer County
3279 South Main St.
Sandy Lake, PA 16145 - USA
Full Service Branch</p> | <p>2. Mercer County State Bank
Sandy Lake Service Center
Opened - 12/5/1974
Mercer County
3309 North Main St.
Sandy Lake, PA 16145 - USA
Full Service Branch</p> |
| <p>3. Mercer County State Bank
Stoneboro Office
Opened - 2/8/1903
Mercer County
62 Lake St.
Stoneboro, PA 16153 - USA
Limited Service Branch</p> | <p>4. Mercer County State Bank
Fredonia Office
Opened - 9/2/1961
Mercer County
71 Main St.
Fredonia, PA 16124 - USA
Full Service Branch</p> |
| <p>5. Mercer County State Bank
Jackson Township Office
Opened - 12/22/1997
Mercer County
811 Franklin Road
Mercer, PA 16137 - USA
Full Service Branch</p> | <p>6. Mercer County State Bank
Grove City Office
Opened - 10/01/2007
Mercer County
712 West Main St.
Grove City, PA 16127 - USA
Full Service Branch</p> |

- | | | | |
|-----|---|-----|--|
| 7. | Mercer County State Bank
Cochranton Office
Opened – 1/29/1997
Crawford County
110 N. Franklin St.
Cochranton, PA 16314 - USA
Full Service Branch | 8. | Mercer County State Bank
Meadville Office
Opened – 4/10/2000
Crawford County
16411 Conneaut Lake Rd.
Meadville, PA 16335 – USA
Full Service Branch |
| 9. | Mercer County State Bank
Cambridge Springs Office
Opened – 6/13/1966
Crawford County
144 Venango Ave.
Cambridge Springs, PA 16403 – USA
Full Service Branch | 10. | Mercer County State Bank
Clintonville Office
Opened – 10/15/1956
Venango County
101 Franklin St.
Clintonville, PA 16372 – USA
Full Service Branch |
| 11. | Mercer County State Bank
Hermitage Office
Opened – 9/11/17
Mercer County
1353 N. Hermitage Road
Hermitage, PA 16148 - USA
Full Service Branch | 12. | Mercer County State Bank
Harrisville Office
Opened – 12/28/18
Butler County
549 South Main Street
Harrisville, PA 16038 - USA
Full Service Branch |

REPORT ITEM 3 (1): Shareholders 5% or greater

Name and Address Of Beneficial Owner (a) (b)	Number of Shares Beneficially Owned [1] (c)	Outstanding Common Stock Beneficially Owned
1. Mary Ann Craig [2] Owned individually Valencia, Pennsylvania United States citizen	86,610	8.16%
2. Susan C.Cox [2] Owned individually Mars, Pennsylvania 16046 United States citizen	71,570	6.74%
2a. Susan C. Cox / Mary Ann Craig Family [3] Pennsylvania All United States Citizens	176,300	16.61%
3. Lois Down Drums, PA 18222 United States citizen	59,000	5.56%
4. McQuiston Family [4] Sandy Lake, PA United States Citizens	136,550	12.86%

5.	Kaltenbaugh Family [5] Sandy Lake, PA United States Citizens	107,202	10.10%
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[1] Includes shares held jointly with or individually by affiliates of the named individual.

[2] Mary Ann Craig and Susan C. Cox are sisters.

[3] In addition to shares held individually by Mary Ann Craig (86,610) and her sister Susan C. Cox (71,570), additional family members own 18,120. Steven Cox (son – 8,560), Dr. Michael Cox (son – 8,410), Carla Cox (daughter-in-law – 850) and 3 minor grandchildren (100 each – total of 300). Thereby a family held total of 176,300.

[4] Includes shares held in trusts for Harold A. (5,000) and Sally J. (19,900) McQuiston and a combined trust (600), shares owned by Bruce L, (son – 4,000), Cathie J. (daughter – 52,550), Susan J. (daughter – 52,550) and Ellen J Maloney (daughter – 1,650). Harold A. & Sally J. McQuiston are parents of all aforementioned. No individual in this family owns shares totaling 5% individually.

[5] Includes all family members of Robert A.(deceased) and Jean W. Kaltenbaugh. Robert A. Kaltenbaugh Testamentary Trust (31,100), Jean W. Kaltenbaugh (30,563). Individually owned shares of family members include: Charles & Joan Kaltenbaugh (brother & sister-in-law – 24,200), Ray & Susan Kaltenbaugh (son & wife – 5,639), Bob & Cathy Kaltenbaugh (son & wife – 1,750), Gary & Susan Auerbach (daughter & husband - 150), Mark & Nina Kaltenbaugh (grandson & wife – 200) and Judith Walker (sister-in-law – 13,600).

REPORT ITEM 3 (2): NONE

Results: A list of branches for your depository institution: **MERCER COUNTY STATE BANK (ID_RSSD: 866121)**.
 This depository institution is held by **MERCER COUNTY STATE BANCORP, INC. (1247183)** of **SANDY LAKE, PA**.
 The data are as of **12/31/2018**. Data reflects information that was received and processed through **01/06/2019**.

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*	Comments
OK		Full Service (Head Office)	866121	MERCER COUNTY STATE BANK	3279 SOUTH MAIN ST	SANDY LAKE	PA	16145	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	918525	CAMBRIDGE SPRINGS OFFICE	144 VENANGO AVENUE	CAMBRIDGE SPRINGS	PA	16403	CRAWFORD	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	224	CLINTONVILLE OFFICE	101 FRANKLIN STREET	CLINTONVILLE	PA	16372	VENANGO	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	2535467	COCHRANTON OFFICE	110 NORTH FRANKLIN STREET	COCHRANTON	PA	16314	CRAWFORD	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	92322	FREDONIA OFFICE	71 MAIN STREET	FREDONIA	PA	16124	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	3763940	GROVE CITY OFFICE	712 WEST MAIN STREET	GROVE CITY	PA	16127	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	5164363	HERMITAGE	1353 NORTH HERMITAGE ROAD	HERMITAGE	PA	16148	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	3669369	MEADVILLE OFFICE	16411 CONNEAUT LAKE ROAD	MEADVILLE	PA	16335	CRAWFORD	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	2641630	JACKSON TOWNSHIP OFFICE	811 FRANKLIN ROAD	MERCER	PA	16137	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Full Service	835426	SANDY LAKE SERVICE CENTER	3309 NORTH MAIN STREET	SANDY LAKE	PA	16145	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
OK		Limited Service	191627	STONEBORO OFFICE	62 LAKE STREET	STONEBORO	PA	16153-0157	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK	866121	
ADD		Full Service		HARRISVILLE OFFICE	549 SOUTH MAIN STREET	HARRISVILLE	PA	16038	BUTLER	UNITED STATES					

12/28/2018 - Harrisville office Opened.
 Form FR Y-10 was completed, submitted and approved for this office.

MERCER COUNTY STATE BANCORP, INC.
FORM FRY- 6 2018

REPORT ITEM 4:

Insiders

Name and Address (1)	Principal Occupation & Other Business Interests (2),(3c)	Mercer County State Bancorp, Inc. (3a)	Mercer County State Bank (3b)	Mercer County State Bancorp, Inc. % Ownership and # shares (4a)	% Ownership In subsidiaries (4b)	% Ownership In Other Co.'s Over 25% (4c)
Susan Cyphert Grove City, PA, USA	Partner McGill, Power, Bell & Assoc.	Director	Director	0.05% 500	None	50% - Bedrock Apartments
David M. Eakin Conneaut Lake, PA, USA	Former EVP & CFO Mercer County State Bank (Retired as of 1/1/2017)	Director	Director	0.19% 2,000	None	None
Michelle Gerwick Grove City, PA, USA	CFO George Junior Republic	Director	Director	0.05% 540	None	None
Ray J. Kaltenbaugh Sandy Lake, PA, USA	CEO Mercer County State Bank	Director, President & CEO	Director & CEO	0.53% 5,639	None	None
Stephen K. Miller West Middlesex, PA, USA	SVP & CFO Mercer County State Bank	Treasurer	SVP	0.02% 225	None	None
Scott Patton Sandy Lake, PA, USA	President and COO Mercer County State Bank	Secretary	Director & President	0.13% 1,375	None	None
Brian J. Raymond Sandy Lake, PA, USA	President/Owner Sandy Lake Mills, Inc.	Director	Director	1.18% 12,550	None	50% Sandy Lake Mills, Inc. 33 1/3% Sandy Lake Hardware, Inc
John O. Smith Townville, PA, USA	President/Owner Hazlett Tree Service Inc.	Director	Director	0.05% 550	None	100% Hazlett Tree Service Inc. 100% Hazlett Sales & Service Inc. 100% Hazlett/Smith Partnership
Kevin E. Watts Sandy Lake, PA, USA	Vice President Laubscher Cheese Inc.	Director	Director	0.33% 3,550	None	None
Susan C. Cox Mars, PA U.S. citizen	Retired	n/a	n/a		n/a	None
Mary Ann Craig Valencia, PA U.S. citizen	Retired	n/a	n/a	[1] 16.61% 176,300	n/a	None
Cathie McQuiston Arlington, VA U.S. citizen	Attorney	n/a	n/a		n/a	None
Susan McQuiston Reisterstown, MD U.S. citizen	Educator	n/a	n/a	[2] 12.86% 136,550	n/a	None
Robert A. Kaltenbaugh Trust Sandy Lake, PA U.S. citizen	n/a	n/a	n/a	[3] 10.10% 107,202	n/a	None

[1] Susan C. Cox (71,570) and Mary Ann Craig (86,610) are sisters and considered 'principal securities holders' when considering all shares owned individually and all shares owned by family members as defined by regulation. In addition to shares held individually by Susan C. Cox and her sister Mary Ann Craig, additional family members own 18,120 shares: Carla Cox (daughter-in-law) 850, Dr. Michael Cox (son) 8,410, Steven Cox (son) 8,560 and 3 minors (grandchildren) 300. Thereby a family held total of 176,300 or 16.61%.

[2] Cathie McQuiston and Susan McQuiston are sisters and considered 'principal securities holders' when considering all shares owned individually and all shares owned by family members as defined by regulation. In addition to shares held individually by Cathie McQuiston, 52,550, and her sister Susan McQuiston, 52,550, additional family members own 31,450 shares. Sally McQuiston Trust (mother) 19,900, Harold McQuiston Trust (father) 5,000, Harold and Sally McQuiston (father and mother) 600, Harold McQuiston (father) 300, Bruce McQuiston (brother) 4,000 and Ellen Maloney (sister) 1,650. Thereby a family held total of 136,550 or 12.86%.

[3] The Robert Kaltenbaugh Trust is considered a 'principal securities holder' when considering shares owned by the Trust (31,100) and all shares owned by family members as defined by regulation. In addition to shares owned by the Robert Kaltenbaugh Trust, additional family members own 76,102 shares. Jean Kaltenbaugh (wife) 30,563, Charles and Joan Kaltenbaugh (brother and wife), 24,200, Ray and Susan Kaltenbaugh (son & wife) 5,639, Bob and Cathy Kaltenbaugh (son & wife) 1,750, Gary and Susan Auerbach (husband & daughter) 150, Mark and Nina Kaltenbaugh (grandson & wife) 200, and Judith Walker (sister-in-law) 13,600. Thereby a family held total of 107,202 or 10.10%.