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)); 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, David M. Eakin
Name of the Holding Company Director and Official
Secretary, Treasurer
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.

Signature of Holding Company Director and Official
3-25-14

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

Reporters 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
SandyLake PA 16145
City State Zip Code

Physical location (if different from mailing address)

Person to whom questions about this report should be directed:
David M. Eakin Secretary, Treasurer
Name Title
724-376-7015 4613
Area Code / Phone Number / Extension
724-376-3357
Area Code / FAX Number
d4eak@mcsbank.net E-mail Address
www.mcsbank.com Address (URL) for the Holding Company’s web page

Does the reporter request confidential treatment for any portion of this submission?

☐ Yes Please identify the report items to which this request applies:
☐ No

☐ 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.”

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 1247183 C.I.

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.
REPORT ITEM 1a: NONE - Mercer County State Bancorp, Inc. is not an SEC registrant.

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

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

MERcer counTy sTaTe banCorp, inc.
SANDY LAKE, PA 16145
Incorporated: Sandy Lake, PA 16145

100% stock ownership

100% Ownership

McQuiston Insurance, Inc
Sandy Lake, PA 16145
Incorporated: Sandy Lake, PA 16145

MERcer counTy sTaTe banK
SANDY LAKE, PA 16145
Incorporated: Sandy Lake, PA 16145

100% ownership

MCSB Insurance Services, LLC.
Sandy Lake, PA 16145
Incorporated: Sandy Lake, PA 16145
*100% managing member - Mercer County State Bank

REPORT ITEM 2 (b): Domestic Branch Listing:

There are 10 Reportable Branch listings for Mercer County State Bank:

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

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

3. Mercer County State Bank
   Stoneboro Office
   Opened - 2/8/1903
   Mercer County
   62 Lake St.
   Stoneboro, PA 16153 - USA
   Full Service Branch

4. Mercer County State Bank
   Fredonia Office
   Opened - 9/2/1961
   Mercer County
   71 Main St.
   Fredonia, PA 16124 - USA
   Full Service Branch

5. Mercer County State Bank
   Jackson Township Office
   Opened - 12/22/1997
   Mercer County
   811 Franklin Road
   Mercer, PA 16137 - USA
   Full Service Branch

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
### REPORT ITEM 3 (1):

<table>
<thead>
<tr>
<th>Name and Address Of Beneficial Owner</th>
<th>Number of Shares Beneficially Owned [1] (c)</th>
<th>Outstanding Common Stock Beneficially Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.</strong> Susan C. Cox [2] Owned individually Mars, Pennsylvania United States citizen</td>
<td>73,920</td>
<td>6.82%</td>
</tr>
<tr>
<td><strong>2a.</strong> Susan C. Cox / Mary Ann Craig Family [3] Pennsylvania All United States Citizens</td>
<td>177,300</td>
<td>16.37%</td>
</tr>
<tr>
<td><strong>3.</strong> Lois Down, Drums, PA United States citizen</td>
<td>66,000</td>
<td>6.09%</td>
</tr>
<tr>
<td><strong>4.</strong> Harold A. &amp; Sally J. McQuiston Family [4] Sandy Lake, PA United States Citizens</td>
<td>136,550</td>
<td>12.60%</td>
</tr>
</tbody>
</table>

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[1] Includes shares held jointly with or individually by affiliates of the named individual.  
[3] In addition to shares held individually by Susan C. Cox and her sister Mary Ann Craig, additional family members own 103,380 shares thereby a family held total of 177,300.  
[4] Includes shares held in trust for Harold A. and Sally J. McQuiston, shares owned by Bruce L. (son), Cathie J. (daughter), Susan J. (daughter) and Ellen J. Maloney (daughter). Neither Harold A. nor Sally J. McQuiston own shares totaling 5% or greater either individually or jointly.  
[5] Shares include all family members of Robert A. (deceased) and Jean W. Kaltenbaugh, Robert A. Kaltenbaugh Testamentary Trust, Jean W. individually owned shares, Charles & Joan Kaltenbaugh (brother), Ray & Susan Kaltenbaugh (son), Robert & Cathy Kaltenbaugh (son), Gary & Susan Auerbach (daughter), and Judith Walker (aunt).
REPORT ITEM 3 (2):  NONE
<table>
<thead>
<tr>
<th>Name and Address</th>
<th>Principal Occupation &amp; Other Business Interests</th>
<th>Mercer County State Bancorp, Inc.</th>
<th>Mercer County State Bank</th>
<th>% Ownership in Merc County State Bancorp, Inc</th>
<th>% Ownership in Subsidiaries</th>
<th>% Ownership in Other Co.'s Over 25%</th>
</tr>
</thead>
<tbody>
<tr>
<td>David M. Eatkin</td>
<td>EVP &amp; CFO Mercer County State Bank</td>
<td>Director, Secretary/Treasurer</td>
<td>Director &amp; EVP/CFO, Sec./Treasurer</td>
<td>0.12%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Grove City, PA</td>
<td></td>
<td></td>
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<tr>
<td>Michelle Gerwick</td>
<td>CFO George Junior Republic</td>
<td>Director</td>
<td>Director</td>
<td>0.01%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Sandy Lake, PA</td>
<td></td>
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</tr>
<tr>
<td>Ray J. Kaltenbaugh</td>
<td>President &amp; CEO Mercer County State Bank</td>
<td>Director, President &amp; CEO</td>
<td>Director &amp; President &amp; CEO</td>
<td>0.44%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Sandy Lake, PA</td>
<td></td>
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<tr>
<td>Brian J. Raymond</td>
<td>President/Owner Sandy Lake Mills, Inc.</td>
<td>Director</td>
<td>Director</td>
<td>1.13%</td>
<td>None</td>
<td>100% Sandy Lake Mills, Inc.</td>
</tr>
<tr>
<td>Sandy Lake, PA</td>
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</tr>
<tr>
<td>Gary R. Stamp</td>
<td>Retired EVP - Mercer County State Bank</td>
<td>Director</td>
<td>Director Chairman</td>
<td>0.50%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Sandy Lake, PA</td>
<td></td>
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</tr>
<tr>
<td>John O. Smith</td>
<td>President/Owner Hazlett Tree Service Inc.</td>
<td>Director</td>
<td>Director</td>
<td>0.00%</td>
<td>None</td>
<td>100% Hazlett Tree Service Inc.</td>
</tr>
<tr>
<td>Townville, PA</td>
<td></td>
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<td></td>
<td>100% Hazlett Sales &amp; Service Inc.</td>
</tr>
<tr>
<td>Kevin E. Watts</td>
<td>Vice President Laubscher Cheese Inc.</td>
<td>Director</td>
<td>Director</td>
<td>0.13%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Sandy Lake, PA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Susan C. Cox</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>[1] 16.37%</td>
</tr>
<tr>
<td>Mars, PA U.S. citizen</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Mary Ann Craig</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>[2] 12.60%</td>
</tr>
<tr>
<td>Valencia, PA U.S. citizen</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Harold A. McQuiston</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>[2] 12.60%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Sally J. McQuiston</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sandy Lake, PA U.S. citizens</td>
<td></td>
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</tr>
</tbody>
</table>

[1] Susan C. Cox and Mary Ann Craig 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 103,380 shares thereby a family held total of 177,300 or 16.37%.

[2] Harold A. and Sally J. McQuiston are considered 'principal securities holders' when considering shares they own and all shares owned by family members as defined by regulation. Includes shares held in trusts for Harold A. and Sally J. McQuiston, shares owned by Bruce L. (son), Cathie J. (daughter), Susan J. (daughter) and Ellen J Maloney (daughter). Neither Harold A. nor Sally J. McQuiston own shares totaling 5% or greater either individually or jointly.
Results: A list of branches for your depository institution: MERCER COUNTY STATE BANK (ID_BISSI: 866121).
This depository institution is joined by MERCER COUNTY STATE BANCORP, INC. (1247183) of SANDY LAKE, PA.
The data is as of 12/31/2013. Data reflects information that was received and processed through 03/07/2014.

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.

Action:
OK: If the branch information is correct, enter 'OK' in the Data Action column.
Change: If the branch information is incorrect or incomplete, review 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.

At 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 UNNUM, Office Number, and ID_BISSI columns are for reference only. Verification of these values is not required.