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, 612b, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850(a)(c)(1), and 5468(b)(1)). 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. 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.

David E. Richey
Name of the Holding Company Director and Official
Vice President/CFO
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
02/24/2017

Date of Signature

For holding companies not registered with the SEC—Indicate status of Annual Report to Shareholders:

X is included with the FR Y-6 report
☐ will be sent under separate cover
☐ is not prepared

For Federal Reserve Bank Use Only

R RSSD ID ________________
C.I. ________________

Is confidential treatment requested for any portion of this report submission? ................................. 0 No
1 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 ......................... 0
2. a letter justifying this request has been provided separately ........................................ 0

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

FR Y-6
OMB Number 7100-0297
Approval expires September 30, 2018
Page 1 of 2

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2016
Month / Day / Year
NA

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

Reporter's Name, Street, and Mailing Address

First State Bancorp, Inc.
Legal Title of Holding Company
19230 State Route 136
(Mailing Address of the Holding Company) Street / P.O. Box
Winchester OH 45697
Zip Code

City State

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

David E. Richey
Name
VP/CFO
Title

937-695-0331
Area Code / Phone Number / Extension
937-695-6026
Area Code / FAX Number

drichey@fsb4me.com
E-mail Address

www.fsb4me.com
Address (URL) for the Holding Company's web page

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.50 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, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.
Report Item 1: Annual Reports to Shareholders

First State Bancorp, Inc. does prepare an annual report for its shareholders and is not registered with the SEC. As specified by the Federal Reserve Bank of Cleveland, 1 copy is enclosed.

Report Item 2a: Organizational Chart

Report Item 2b: Domestic Branch Listing

An updated domestic branch listing for First State Bank was emailed to Structure@clev.frb.org on February 24, 2017.

Report Item 3: Securities holders

Current Shareholders with ownership, control, or holdings of 5% or more with power to vote as of fiscal year ending 12/31/15.

<table>
<thead>
<tr>
<th>(1)(a)</th>
<th>(1)(b)</th>
<th>(1)(c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name &amp; Address</td>
<td>Country of Citizenship or Incorporation</td>
<td>Number and Percentage of Each Class of Voting Securities</td>
</tr>
<tr>
<td>Ernest J. McFarland Manchester, OH USA</td>
<td>USA</td>
<td>39,770 - 5.02% Common Stock</td>
</tr>
</tbody>
</table>

(2)(a)(b)(c)-Not Applicable
Results: A list of branches for your depository institution \( \text{FIRST STATE BANK (ID_RSSD 294023)} \).

This depository institution is held by \( \text{FIRST STATE BANCORP, INC. (2376941)} \) of \( \text{WINCHESTER, OH} \).

The data are as of 12/31/2016. Data reflects information that was received and processed through 01/10/2017.

**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.

<table>
<thead>
<tr>
<th>Data Action</th>
<th>Effective Date</th>
<th>Branch Service Type</th>
<th>Branch ID_RSSD*</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>County</th>
<th>Country</th>
<th>FDIC UNINUM*</th>
<th>Office Number*</th>
<th>Head Office ID_RSSD*</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>OK</td>
<td>2/3/2017</td>
<td>Full Service (Head Office)</td>
<td>294023</td>
<td>FIRST STATE BANK</td>
<td>19230 STATE ROUTE 136</td>
<td>WINCHESTER</td>
<td>OH</td>
<td>45697-0128</td>
<td>ADAMS</td>
<td>UNITED STATES</td>
<td>6062</td>
<td>0</td>
<td>FIRST STATE BANK</td>
<td>294023</td>
</tr>
<tr>
<td>CHANGE</td>
<td>8/5/2016</td>
<td>Full Service</td>
<td>853970</td>
<td>ST BERNARD BRANCH</td>
<td>4901 VINE STREET</td>
<td>CINCINNATI</td>
<td>OH</td>
<td>45217-1263</td>
<td>HAMILTON</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>FIRST STATE BANK</td>
<td>294023</td>
</tr>
<tr>
<td>OK</td>
<td>11/27/2016</td>
<td>Full Service</td>
<td>329327</td>
<td>MANCHESTER BRANCH</td>
<td>210 PIKE ST</td>
<td>MANCHESTER</td>
<td>OH</td>
<td>45144</td>
<td>ADAMS</td>
<td>UNITED STATES</td>
<td>220144</td>
<td>2</td>
<td>FIRST STATE BANK</td>
<td>294023</td>
</tr>
<tr>
<td>OK</td>
<td>3/8/2017</td>
<td>Full Service</td>
<td>3458312</td>
<td>SEAMAN BRANCH</td>
<td>105 SOUTH MAIN STREET</td>
<td>SEAMAN</td>
<td>OH</td>
<td>45679</td>
<td>ADAMS</td>
<td>UNITED STATES</td>
<td>220143</td>
<td>1</td>
<td>FIRST STATE BANK</td>
<td>294023</td>
</tr>
<tr>
<td>OK</td>
<td>11/22/2016</td>
<td>Full Service</td>
<td>1392757</td>
<td>WEST UNION BRANCH</td>
<td>409 W. MAIN ST.</td>
<td>WEST UNION</td>
<td>OH</td>
<td>45693</td>
<td>ADAMS</td>
<td>UNITED STATES</td>
<td>220145</td>
<td>3</td>
<td>FIRST STATE Bank</td>
<td>294023</td>
</tr>
</tbody>
</table>

* FDIC UNINUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.
<table>
<thead>
<tr>
<th>(1) Names &amp; Address</th>
<th>(2) Principal Occupation if other than with BHC</th>
<th>(3a) Title &amp; Position with BHC</th>
<th>(3b) Title &amp; Position with Subs</th>
<th>(3c) Title &amp; Position with Other Bus</th>
<th>(4a) % of Voting Shares in BHC</th>
<th>(4b) % of Voting Shares in Subs</th>
<th>(4c) Other companies that own more of voting securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chris Baxla</td>
<td>Farm Equipment Dealership Owner</td>
<td>Chairman</td>
<td>N/A</td>
<td>President/CEO, Baxa Tractor Sales</td>
<td>22,002 - 2.78%</td>
<td>N/A</td>
<td>Baxa Tractor Sales, Inc. - 54%; Baxa Tractor Sales of Fayette, Inc. - 54% Baxa Tractor Sales of Clermont, Inc. - 54% BTS, one - 54% Baxa Farms - 100%</td>
</tr>
<tr>
<td>Michael Pell</td>
<td>N/A</td>
<td>President/CEO</td>
<td>N/A</td>
<td></td>
<td>9,035 - 1.14%</td>
<td>N/A</td>
<td>RAE Properties, LLC - 50% CKM Properties, LLC - 33%</td>
</tr>
<tr>
<td>Matthew A. Greene</td>
<td>Doctor of Chiropractic</td>
<td>Director</td>
<td>N/A</td>
<td>Owner/Operator of Greene Chiropractic</td>
<td>2,634 - 0.33%</td>
<td>N/A</td>
<td>Greene Chiropractic Center - 100%</td>
</tr>
<tr>
<td>Alan W. Foster</td>
<td>Attorney at Law</td>
<td>Director</td>
<td>N/A</td>
<td>Owner/Operator of Foster Law Office</td>
<td>4,630 - 0.58%</td>
<td>N/A</td>
<td>Alan W. Foster - Attorney at Law - 100%</td>
</tr>
<tr>
<td>Barry L. McFarland</td>
<td>Auto Dealership Owner</td>
<td>Director</td>
<td>N/A</td>
<td>Owner/Operator of Barry's Chevrolet</td>
<td>9,714 - 1.23%</td>
<td>N/A</td>
<td>Barry's Chevrolet - Buick, Inc. - 51% McFarland Chevy Buick, Inc. - 51% McFarland Murray Chevy - 46% Commack Foods, Inc. - 33% Big Bear Lake Family Resort LLC - 50% Great Foods Inc - 33% West Union Development 33%</td>
</tr>
<tr>
<td>Daniel R. Naylor</td>
<td>Retired</td>
<td>Director</td>
<td>N/A</td>
<td>None</td>
<td>25,983 - 3.28%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>William L. Shelby</td>
<td>Retired</td>
<td>Director</td>
<td>N/A</td>
<td>None</td>
<td>3,678 - 0.47%</td>
<td>N/A</td>
<td>N/A</td>
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</tr>
</tbody>
</table>
| **Tony Applegate**
Georgetown, OH USA                      | Hardware Store Owner                          | Director                        | N/A                             | Owner/Operator of Applegates Hardware | 1,644 - 0.21%                   | N/A                                              |
| **David E. Richey**
Winchester, OH USA                        | N/A                                            | Director/Secretary VP/CFO       | N/A                             | 1,769 - 0.22%                    | N/A                             | N/A                                              |