

APR 01 RECD

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)); 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.

This report form is to be filed by all top-tier bank holding companies and top-tier savings and loan 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.

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

December 31, 2013

Month / Day / Year

I, John H. Muse

Reporter's Name, Street, and Mailing Address

Farmers State Bancshares, Inc.

Legal Title of Holding Company

100 Main St., P. O. Box 9

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

Mountain City TN 37683

City State Zip Code

Physical location (if different from mailing address)

Name of the Holding Company Director and Official
Chairman of the Board

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.

Person to whom questions about this report should be directed:

Thomas G. Neaves Senior Vice President

Name Title

423 727 8121 206

Area Code / Phone Number / Extension

4237278134

Area Code / FAX Number

tgneaves@fsbankmctn.com

E-mail Address

www.fsbankmctn.com

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

Signature of Holding Company Director and Official

03/28/2014

Date of Signature

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

Yes Please identify the report items to which this request applies:

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."

No

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 1997862
C.I.

Farmers State Bancshares, Inc.
FRY - 6
Annual Report for Year Ending
December 31, 2013

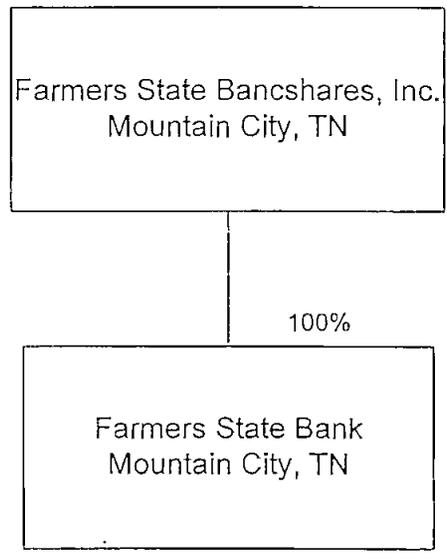
- Item 1(a): No requirement to file with the Securities Exchange Commission (SEC).
- Item 1(b) Annual Report to Shareholders (2 copies will be mailed whenever received from the publisher).
- Item 2: No Change.
- Item 3: Organizational Chart for Farmers State Bancshares, Inc. (See Attached).
- Item 4(b): Percentage of each class of voting securities owned, controlled, or held with the power to vote in (b) direct and indirect subsidiaries of the Bank Holding Company; (See Chart of Officers & Directors).
1. Mr. John Howard Muse owns outright a total of 3,128 shares or 5.93% of the Bank Holding Company Stock.

List of Shareholders owning 5% or more of the Bank Holding Company Shares.
 2. Mr. John Howard Muse owns outright a total of 3,128 shares or 5.93% of the Bank Holding Company shares.
 - 3.2 No other Shareholders owned 5% or more during said year.

Revised.

Farmers State Bancshares, Inc.

Farmers State Bank
State of Incorporation - Tennessee
Fiscal Year Ending December 31, 2013



Revised

Results: A list of branches for your depository institution: FARMERS STATE BANK (ID_RSSD: 105530).
This depository institution is held by FARMERS STATE BANCSHARES, INC. (1997862) of MOUNTAIN CITY, TN.
The data are as of 12/31/2013. Data reflects information that was received and processed through 04/07/2014.

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.

Actions

OK: If the branch information is correct, enter 'OK' in the Data Action column.

Change: If the branch information is incomplete, use the field to 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) | 105530 | FARMERS STATE BANK | 100 WEST MAIN STREET | MOUNTAIN CITY | TN | 37683 | JOHNSON | UNITED STATES | 8613 | 0 | FARMERS STATE BANK | 105530 | |
| OK | | Full Service | 298638 | BUTLER BRANCH | 130 MAIN STREET | BUTLER | TN | 37640 | JOHNSON | UNITED STATES | 230172 | 2 | FARMERS STATE BANK | 105530 | |
| OK | | Full Service | 297033 | HIGHWAY 421 BRANCH | 889 SOUTH SHADY STREET | MOUNTAIN CITY | TN | 37683 | JOHNSON | UNITED STATES | 230171 | 1 | FARMERS STATE BANK | 105530 | |

Farmers State Bancshares, Inc.
Shareholders Owning 5.00% or more of BHC Shares
December 31, 2013

| <u>Name and Address</u> | <u>Country of Citizenship</u> | <u>Shares of BHC Owned</u> | |
|--|-------------------------------|----------------------------|-------|
| | | <u>Number / Percentage</u> | |
| John Howard Muse Mountain City, TN. 37683 | U. S. A. | 3,128 | 5.93% |

FARMERS STATE BANCSHARES, INC

EXHIBIT "C"

DIRECTORS AND OFFICERS

December 31, 2013

| <u>Name and Address</u> | <u>Principal Occupation</u> | <u>Farmers State Bancshares, Inc</u> | <u>Position With Farmers State Bank</u> | <u>Other Business</u> | <u>Number of Shares and Percentage of Voting Securities Owned Or Controlled</u> | | | |
|---|-------------------------------|---|---|--|---|----------------|--|----------------|
| | | | | | <u>Farmers State Bancshares, Inc</u> | | <u>Other Business if More than 25 Percent Held</u> | |
| | | | | | <u>Shares</u> | <u>Percent</u> | <u>Shares</u> | <u>Percent</u> |
| Dr. Sam B. Adams, Jr. Mountain City TN 37683 | Pharmacist/ Pharmacy Owner | Director | Vice Chairman of the Board and Director | Adams Pharmacy/ Pharmacist | 900 | 1.70% | None | None |
| William P. McGuire Mountain City TN 37683 | Retired | Director | Director | Cunningham & McGuire/ Partner | 150 | 0.28% | None | 50.00% |
| John Howard Muse Mountain City TN 37683 | Banking | Director/Chairman & President | President & CEO/Director and Chairman of the Board | None | 3,128 | 5.93% | None | None |
| James W Vincill Mountain City TN 37683 | Retired | Director | Director | None | 175 | 0.33% | None | None |
| Dorothy Shupe Mountain City TN 37683 | Banking | Director/Secretary to Board of Directors | Director & Senior Vice President | None | 800 | 1.52% | None | None |
| Daniel Cullop Mountain City TN | Funeral Home Owner | Director | Director | Owner of Mountain City Funeral Home | 50 | .095% | None | 100.00% |