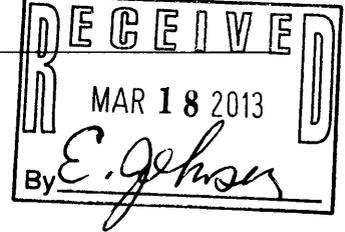


Board of Governors of the Federal Reserve System



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.

I, **Joel C. Clements**

Name of the Holding Company Director and Official

President/CEO/Chairman

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

03/12/2013

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 **1083587**
 C.I. _____

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

December 31, 2012

Month / Day / Year

Reporter's Name, Street, and Mailing Address

First State Corporation

Legal Title of Holding Company

708 Azalea Drive/P.O. Box 506

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

Waynesboro	MS	39367
City	State	Zip Code

Physical location (if different from mailing address)

Person to whom questions about this report should be directed:

Allen Hodo **CFO**

Name Title

601-735-3124

Area Code / Phone Number / Extension

601-735-0231

Area Code / FAX Number

ahodo@firststatebnk.com

E-mail Address

www.firststatebnk.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:

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

Revised ^{IP}
4-10-13

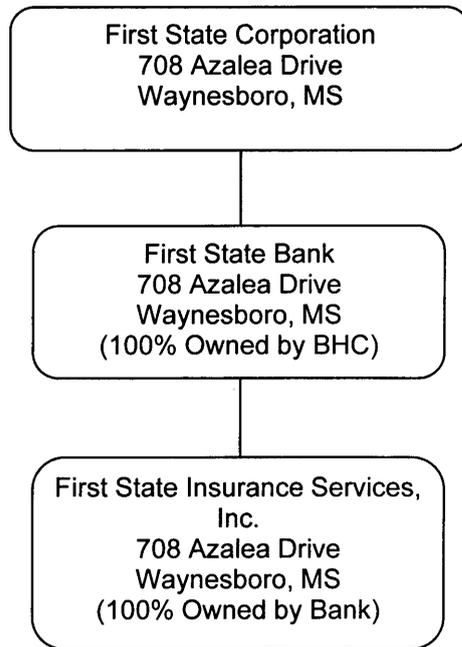
Form FR Y-6

First State Corporation
Waynesboro, Mississippi
Fiscal Year Ending December 31, 2011

Report Item

1. The Bank Holding Company does prepare an annual report for its shareholders. Enclosed are two copies of the annual report.

2a. Organizational Chart



* All Entities are Incorporated in the State of Mississippi

First State Insurance Services is wholly owned by First State Bank, which in turn is wholly owned by First State Corporation.

Report Item 2b: Domestic Branch Listing

Popular Name	Date Branch Opened	Street Address	City	County	State	Country	Zip Code	Branch Service Type
FIRST STATE BANK MAIN OFFICE	1/1/1972	708 AZALEA DRIVE	WAYNESBORO	WAYNE	MS	UNITED STATES	39367	Full Service (Head Office)
BUCKATUNNA BRANCH	4/1/1966	BUCKATUNNA CLARA ROAD	BUCKATUNNA	WAYNE	MS	UNITED STATES	39322	Limited Service
CLARA BRANCH	7/1/1969	CHICORA CLARA ROAD	CLARA	WAYNE	MS	UNITED STATES	39322	Limited Service
LEAKESVILLE BRANCH	3/1/1963	LAFAYETTE STREET	LEAKESVILLE	GREENE	MS	UNITED STATES	39451	Full Service
QUITMAN BRANCH	12/1/1995	310 SOUTH ARCHUSA AVENUE	QUITMAN	CLARKE	MS	UNITED STATES	39355	Full Service
STATE LINE BRANCH	10/1/1975	SAINT PETER STREET	STATE LINE	GREENE	MS	UNITED STATES	39362	Full Service
MORTGAGE LOAN CENTER	5/10/1999	717 WAYNE STREET	WAYNESBORO	WAYNE	MS	UNITED STATES	39367	Full Service
NORTHEAST MOTOR BANK	9/11/2003	1401 AZALEA DRIVE	WAYNESBORO	WAYNE	MS	UNITED STATES	39367	Limited Service
NORTHSIDE MINI-BANK BRANCH	9/1/1977	ROBINSON DRIVE - HERBERTS	WAYNESBORO	WAYNE	MS	UNITED STATES	39367	Limited Service
WAL-MART BRANCH	4/1/2002	1350 AZALEA DRIVE	WAYNESBORO	WAYNE	MS	UNITED STATES	39367	Full Service
MERIDIAN CLOCK TOWER BRANCH	12/3/2007	801 22ND AVENUE	MERIDIAN	LAUDERDALE	MS	UNITED STATES	39301	Full Service
INTERNET BANKING		717 WAYNE STREET	WAYNESBORO	WAYNE	MS	UNITED STATES	39367	Electronic Banking
GATEWAY BRANCH	5/1/1998		LUCEDALE	GEORGE	MS	UNITED STATES	39452	Full Service

First State Corporation
FR Y-6 Report Item 3: Shareholders

Section 3 (1): Shareholders

Listed below are shareholders of First State Corporation that directly or indirectly own, control, or holds with power to vote 5% or more of any class of voting securities of First State Corporation, the bank holding company.

Name & Address	County of Citizenship	# of Shares Held	% of Class
John C. Arledge, III Gautier, MS	USA	103.37	7.63%
Ben C. Daws Waynesboro, MS	USA	71.27	5.26%
T.O. Kelley, Sr.* Waynesboro, MS	USA	136.9	10.10%
Wilodyne Rhinehart Waynesboro, MS	USA	89	6.57%
James Gary Sigler-Personally Waynesboro, MS	USA	73.07	5.39%

Percent of class is based on 1,355 shares issued and outstanding at December 31, 2011.

*T. O. Kelley, Sr. is represented on the Board by T. O. Kelley, Jr.

Section 3 (2):

There were no shareholders not listed above that at any point in the year owned or controlled five percent or more of the stock in the bank holding company during the fiscal year. In addition, there are no warrants, rights, or options outstanding that if exercised would allow anyone to meet or exceed the five percent threshold of stock ownership.

First State Corporation
FR Y-6 Report Item 4: Directors and Officers
As of December 31, 2012

(1) Name and Address	(2) Principal Occupation if other than with Bank Holding Co.	(3a) Title/Position with Bank Holding Co.	(3b) Title/Position with Subsidiaries (including name of subsidiaries)	(3c) Title & Position with Other Businesses	(4a) % of Voting Shares in Bank Holding Co.	(4b) Not Applicable*	(4c) Names of other companies that 25% or more voting securities are held
John C. Arledge, III Gautier, MS	retired	Director	N/A	None	7.63%		None
Redell Bonner Waynesboro, MS	Certified Public Accountant	Director	N/A	Partner, Bonner & Associates	2.23%		Bonner & Associates, CPA (working interest)
Joel C. Clements Waynesboro, MS	President/CEO of First State Bank	Director & Chairman	President/CEO of First State Bank	None	0.15%		None
James F. Cooley Waynesboro, MS	Owner, Fast Food Business	Director & Secretary/ Treasurer	N/A	Owner, Pizza Inn of Waynesboro	3.84%		Pizza Inn of Waynesboro (100%)
Ben C. Daws Waynesboro, MS	President, Southeastern Oil Company	Director	N/A	President, Southeastern Oil President, Southeastern Producing	5.26%		Southeastern Oil (51%) Southeastern Producing (51%)
John G. Giles, Jr. Waynesboro, MS	Retired	Director	N/A	None	2.95%		None
Ernest W. Joiner Waynesboro, MS	President, Joiner-Sigler Insurance Agency	Director	N/A	President, Joiner-Sigler Insurance Agency	2.07%		Joiner-Sigler Insurance Agency (71%)
T. O. Kelley, Jr.*** Waynesboro, MS	Vice President Kelley Industries, Inc.	Director	N/A	VP-Kelley Industries Partner-Kelley Holding Co. President-Kelwood Products President-At-Tom Forest Products VP-EDL Labs Inc.	5.27%		Kelley Industries (33.33%) Kelley Holding Co. (33.00%) Kelwood Products (33.33%) At-Tom Forest Products (33.33%) EDL Labs, Inc. (30.00%)
Kenneth F. Rhinehart **** Waynesboro, MS	Adjunct Professor University of Southern Mississippi	Director	N/A	None	6.57%		None
B. B. Rounsaville Leakesville, MS	Retired	Director	N/A	None	4.00%		None
James Gary Sigler Waynesboro, MS	Vice President, First State Bank	Director	Vice President First State Bank	None	5.39%		Ozmus, LP (98%)
Ennis King Waynesboro, MS	retired	Director	N/A	None	0.59%		None
Eric Giles Waynesboro, MS	Vice President/Operations First State Bank	Director	Vice President-Operations	None	0.15%		None
Byron Jordan Waynesboro, MS	EVP Lending Waynesboro Branch	None	SVP Lending	None	0.07%		None
Allen Hodo Waynesboro, MS	CFO/EVP Operations First State Bank	Vice President	CFO/SVP Operations	None	0.15%		None

* Related to (4b), all subsidiary stock is 100% owned by First State Corporation.

*** T. O. Kelley, Jr is the son of T. O. Kelley, Sr.

**** Ken Rhinehart is the son of Wilodyne Rhinehart.