

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.


Signature of Holding Company Director and Official

06/12/2018

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. _____

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

December 31, 2017

Month / Day / Year

549300UJ10PYJY7N1I77

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 4622

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? 0=No 1=Yes **0**

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."

For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

Legal Title of Subsidiary Holding Company

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

City State Zip Code

Physical Location (if different from mailing address)

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

City State Zip Code

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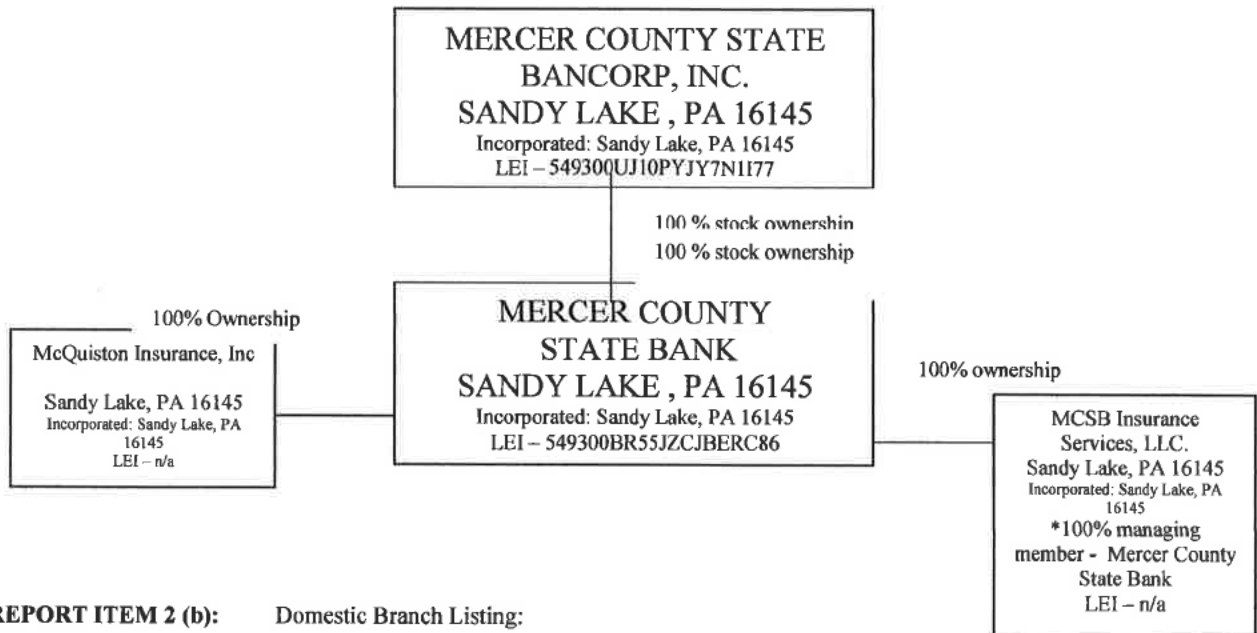
City State Zip Code

Physical Location (if different from mailing address)

MERCER COUNTY STATE BANCORP, INC.
FORM FR Y-6
2017

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 11 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
Full 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

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 [REDACTED]
United States citizen

86,610

7.99%

2. Susan C. Cox [2]
Owned individually
Mars, Pennsylvania [REDACTED]
United States citizen

72,070

6.65%

2a. Susan C. Cox / Mary Ann Craig Family [3]
Pennsylvania
All United States Citizens

177,300

16.37%

3. Lois Down
Drums, PA [REDACTED]
United States citizen

66,000

6.09%

4. Harold A. & Sally J. McQuiston Family [4]
Sandy Lake, PA
United States Citizens

136,550

12.61%

5.	Robert A. & Jean W. Kaltenbaugh Family [5] Sandy Lake, PA United States Citizens	107,202	9.90%
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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 (72,070), additional family members own 18,620 shares thereby a family held total of 177,300.

[4] 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.

[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 (sister-in-law).

REPORT ITEM 3 (2): NONE

MERCER COUNTY STATE BANCORP, INC.

FORM FRY-6 2017

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 In Other Co.'s Over 25% (4c)
				% Ownership (4a)	% Ownership In subsidiaries (4b)	
Susan Cyphert Grove City, PA	Partner McGill, Power, Bell & Assoc.	Director	Director	0.02%	None	50% - Bedrock Apartments
David M. Eakin Conneaut Lake, PA	EVP & CFO Mercer County State Bank (Retired as of 1/1/2017)	Director	Director	0.18%	None	None
Michelle Gerwick Grove City, PA	CFO George Junior Republic	Director	Director	0.05%	None	None
Ray J. Kaltenbaugh Sandy Lake, PA	President & CEO Mercer County State Bank	Director, President & CEO	Director & President /CEO	0.52%	None	None
Stephen K. Miller West Middlesex, PA	SVP & CFO Mercer County State Bank	CFO, Treasurer	SVP	0.02%	None	None
Scott Patton Sandy Lake, PA	SVP Mercer County State Bank	Secretary	SVP	0.11%	None	None
Brian J. Raymond Sandy Lake, PA	President/Owner Sandy Lake Mills, Inc.	Director	Director	1.16%	None	50% Sandy Lake Mills, Inc.
John O. Smith Townville, PA	President/Owner Hazlett Tree Service Inc.	Director	Director	0.05%	None	100% Hazlett Tree Service Inc. 100% Hazlett Sales & Service Inc. 100% Hazlett/Smith Partnership
Kevin E. Watts Sandy Lake, PA	Vice President Laubscher Cheese Inc.	Director	Director	0.31%	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] 16.37%	n/a	None
Harold A. McQuiston Sally J. McQuiston Sandy Lake, PA U.S. citizens	Retired Retired	n/a n/a	n/a n/a	[2] 12.61%	n/a n/a	None None

[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 18,020 shares: Carla Cox (daughter-in-law) 800, Dr. Michael Cox (son) 9,160, Steven Cox (son) 8,360 and 3 minors (grandchildren) 300. 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 holding company: **MERCER COUNTY STATE BANKCORP, INC. (12471183) of SANDY LAKE, PA.**
The data are as of **12/31/2017**. Data reflects information that was received and processed through **01/04/2018**

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_10SD columns are for reference only. Verification of these values is not required.

Data Action	Effective Date	Branch Service Type	Branch ID_10SD*	Popular Name	Street Address	CITY	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_10SD*	Comments
		Full Service (Head Office)	866121	MERCER COUNTY STATE BANK	3275 SOUTH MAIN ST	SANDY LAKE	PA	16145	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		Full Service	318525	CAMBRIDGE SPRINGS OFFICE	144 VENANGO AVENUE	CAMBRIDGE SPRINGS	PA	16003	CRAWFORD	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		Full Service	224	CLINTONVILLE OFFICE	101 FRANKLIN STREET	CLINTONVILLE	PA	16722	VENANGO	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		Full Service	2535467	COCHRANTON OFFICE	110 NORTH FRANKLIN STREET	COCHRANTON	PA	16314	CRAWFORD	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		Full Service	92322	FREDONIA OFFICE	711 MAIN STREET	FREDONIA	PA	16124	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		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
		Full Service	5164363	HERMITAGE	1351 NORTH HERMITAGE ROAD	HERMITAGE	PA	16148	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		Full Service	3669369	MEADVILLE OFFICE	16411 CONNEAUT LAKE ROAD	MEADVILLE	PA	16335	CRAWFORD	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		Full Service	2641630	JACKSON TOWNSHIP OFFICE	811 FRANKLIN ROAD	MERCER	PA	16137	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		Full Service	835436	SANDY LAKE SERVICE CENTER	3309 NORTH MAIN STREET	SANDY LAKE	PA	16145	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121
		Full Service	191627	STONEBORO OFFICE	62 LAKE STREET	STONEBORO	PA	16153-0157	MERCER	UNITED STATES	Not Required	Not Required	MERCER COUNTY STATE BANK		866121