

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.

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

December 31, 2020

Month / Day / Year

N/A

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

Reporter's Name, Street, and Mailing Address

Murphy-Payne Investments, Ltd.

Legal Title of Holding Company

PO Box 342

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

Carthage Texas 75633

City State Zip Code

102 East Sabine Street #2, Carthage, TX 75633

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Jameson Ritter Controller

Name Title

903-693-6606

Area Code / Phone Number / Extension

903-693-6241

Area Code / FAX Number

jbritter@fbscarthage.com

E-mail Address

N/A

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

I, David Murphy

Name of the Holding Company Director and Official

General Partner

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

03/25/2021

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. _____

| | | |
|--|--------------------------|---|
| Is confidential treatment requested for any portion of this report submission? | 0=No 1=Yes | <input type="checkbox"/> <input checked="" type="checkbox"/> |
| 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 | <input type="checkbox"/> | |
| 2. a letter justifying this request has been provided separately ... | <input type="checkbox"/> | |
| 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.

Carthage State Bancshares, Inc.

Legal Title of Subsidiary Holding Company

PO Box 579

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

Carthage Texas 75633

City State Zip Code

110 W Panola St, Carthage, TX 75633

Physical Location (if different from mailing address)

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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City State Zip Code

Physical Location (if different from mailing address)

Legal Title of Subsidiary Holding Company

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

City State Zip Code

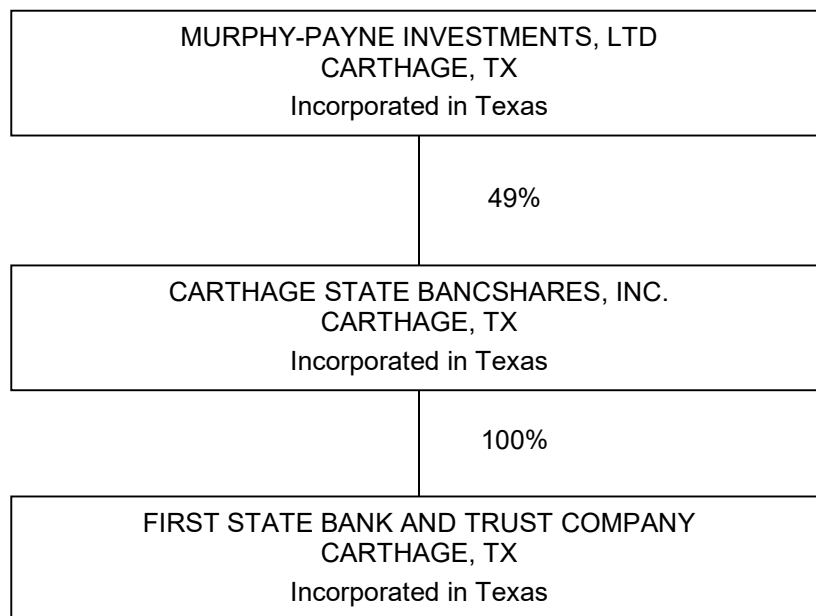
Physical Location (if different from mailing address)

Form FR Y-6
Murphy-Payne Investments, Ltd.
Carthage, Texas
Fiscal Year Ending December 31, 2020

Report Item

1: The bank holding company does not prepare an annual report for its shareholders.

2a: Organizational Chart



No entity in the organization chart has an LEI.

2b: Enclosed. See following two pages.

Results: A list of branches for your depository institution: **FIRST STATE BANK AND TRUST COMPANY (ID_RSSD: 1012251)**.

This depository institution is held by **MURPHY-PAYNE INVESTMENTS, LTD, (2904960)** of **CARTHAGE, TX**.

The data are as of **12/31/2020**. Data reflects information that was received and processed through **01/05/2021**.

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_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) | 1012251 | FIRST STATE BANK AND TRUST COMPANY | 110 WEST PANOLA STREET | CARTHAGE | TX | 75633-2632 | PANOLA | UNITED STATES | Not Required | Not Required | FIRST STATE BANK AND TRUST COMPANY | 1012251 | |

Results: A list of branches for your depository institution: **FIRST STATE BANK AND TRUST COMPANY (ID_RSSD: 1012251)**.

This depository institution is held by **CARTHAGE STATE BANCSHARES, INC. (2767512)** of **CARTHAGE, TX**.

The data are as of **12/31/2020**. Data reflects information that was received and processed through **01/05/2021**.

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.

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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

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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:

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| 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) | 1012251 | FIRST STATE BANK AND TRUST COMPANY | 110 WEST PANOLA STREET | CARTHAGE | TX | 75633-2632 | PANOLA | UNITED STATES | Not Required | Not Required | FIRST STATE BANK AND TRUST COMPANY | 1012251 | |

Form FR Y-6

Murphy-Payne Investments, Ltd. Fiscal Year Ending December 31, 2020

Report Item 3: Partners in Partnership

(1)(a)(b)(c) and (2)(a)(b)(c)

Current partners having a 5% or more interest with ownership, control or holding of 5% or more with power to vote as of 12-31-2020:

| (1)(a) Name & Address (City, State/Country) | (1)(b) Country of Citizenship or Incorporation | (1)(c) Percentage of Interest Owned |
|--|---|--|
| Thomas F. Murphy Carthage, TX | USA | 31.4904% |
| John F. Murphy Carthage, TX | USA | 31.4904% |
| David B. Murphy Carthage, TX | USA | 31.4904% |
| Mary F. Murphy Carthage, TX | USA | 5.5288% |

Partners not listed in 3(1)(a) through 3(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12-31-2020:

None

Form FR Y-6

Carthage State Bancshares, Inc. Fiscal Year Ending December 31, 2020

Report Item 3: Shareholders

(1)(a)(b)(c) and (2)(a)(b)(c)

Current shareholders having a 5% or more interest with ownership, control or holding of 5% or more with power to vote as of 12-31-2020:

| (1)(a) Name & Address (City, State/Country) | (1)(b) Country of Citizenship or Incorporation | (1)(c) Percentage of Interest Owned |
|--|---|--|
| Murphy-Payne Investments, Ltd. Carthage, TX | USA | 11,412 Shares – 49.50% |
| Susan Riggs Hill Waco, TX | USA | 1,440 Shares – 6.25% |
| Sarah Jane Riggs Shreveport, LA | USA | 1,440 Shares – 6.25% |

Shareholders not listed in 3(1)(a) through 3(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12-31-2020:

None

Form FR Y-6

Murphy-Payne Investments, Ltd. Fiscal Year Ending December 31, 2020

Report Item 4: Insiders

(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

| (1) Names City, State/ Country | (2) Principal Occupation if other than with Bank Holding Company | (3)(a) Title & Position with Bank Holding Company | (3)(b) Title & Position with Subsidiaries (include names of subsidiaries) | (3)(c) Title & Position with Other Businesses (include names of other businesses) | (4)(a) Percentage of Voting Interest in Bank Holding Company | (4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries) | (4)(c) List names of other companies(includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held) |
|---|--|--|---|---|--|---|--|
| Thomas F. Murphy Carthage, TX | Banker | General Partner | None | General Partner, Murphy Bros. Part. | 31.4904% | None | Murphy Bros. Part. 33.33% |
| John F. Murphy Carthage, TX | Land Architect | General Partner | None | General Partner, Murphy Bros. Part.; Owner, Site Integration Studio, LLC | 31.4904% | None | Murphy Bros. Part. 33.33%; Site Integration Studio, LLC 100.00% |
| David B. Murphy Carthage, TX | Banker | General Partner | Director, Carthage State Bancshares; Director & Exec VP, First State Bank & Trust Company | General Partner, Murphy Bros. Part. | 31.4904% | None | Murphy Bros. Part. 33.33% |
| Mary F. Murphy Carthage, TX | Investments | Limited Partner | None | N/A | 5.5288% | None | None |

Form FR Y-6

Carthage State Bancshares, Inc. Fiscal Year Ending December 31, 2020

Report Item 4: Insiders

(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

| (1) Names City, State, Country | (2) Principal Occupation if other than with Bank Holding Company | (3)(a) Title & Position with Bank Holding Company | (3)(b) Title & Position with Subsidiaries (include names of subsidiaries) | (3)(c) Title & Position with Other Businesses (include names of other businesses) | (4)(a) Percentage of Voting Interest in Bank Holding Company | (4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries) | (4)(c) List names of other companies(includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held) |
|---|--|--|---|---|--|---|--|
| Murphy-Payne Investments, Ltd. Carthage, TX | N/A | Shareholder | N/A | N/A | 49.50% | None | None |
| Jimmy D. Payne Carthage, TX | N/A | Director & President | Director & Chairman & CEO, First State Bank & Trust Company | N/A | 1.85% | None | None |
| M. Kevin Smith Carthage, TX | N/A | Director & Secretary/Treasurer | Director & CFO, First State Bank & Trust Company | N/A | 0.17% | None | None |
| J. R. Duke Carthage, TX | N/A | Director | Director, First State Bank & Trust Company | Limited Partner, JEDCO, Ltd. | 0.00% | None | JEDCO, Ltd. 45.34% |
| Lynn C. Vincent Carthage, TX | N/A | Director | Director, First State Bank & Trust Company | N/A | 2.73% | None | None |

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Carthage State Bancshares, Inc. Fiscal Year Ending December 31, 2020

Report Item 4: Insiders

(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

| (1) Names City, State/ Country | (2) Principal Occupation if other than with Bank Holding Company | (3)(a) Title & Position with Bank Holding Company | (3)(b) Title & Position with Subsidiaries (include names of subsidiaries) | (3)(c) Title & Position with Other Businesses (include names of other businesses) | (4)(a) Percentage of Voting Interest in Bank Holding Company | (4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries) | (4)(c) List names of other companies(includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held) |
|---|--|--|---|---|--|---|--|
| David B. Murphy Carthage, TX | N/A | Director | Director & Exec VP, First State Bank & Trust Company | General Partner, Murphy Bros. Part. | 0.00% | None | Murphy Bros. Part. 33.33% |
| C. Gene Giles Carthage, TX | N/A | Director | Director & President, First State Bank & Trust Company | N/A | 0.39% | None | None |
| Susan Riggs Hill Waco, TX | N/A | Shareholder | N/A | N/A | 6.25% | None | None |
| Sarah Jane Riggs Shreveport, LA | N/A | Shareholder | N/A | N/A | 6.25% | None | None |