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)(2), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 246(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.

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, 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

Date of Signature
2-25-16

Date of Report (top-tier holding company’s fiscal year-end):
December 31, 2015
Month / Day / Year

N/A
Reporter’s Legal Entity Identifier (LEI) (20-Character LEI Code)

Murphy-Payne Investments, Ltd.
Reporter’s Name, Street, and Mailing Address
1324 S. Beckham St. Ste 238
(Mailing Address of the Holding Company) Street / P.O. Box
Tyler TX 75701
City State Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Jamason Ritter
Controller
Name Title
903-693-6606
Area Code / Phone Number / Extension
903-693-6241
Area Code / FAX Number
jbritter@fsbcarthage.com
E-mail Address

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

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.25 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.

12/2015
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.

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Legal Title of Subsidiary Holding Company</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carthage State Bancshares, Inc.</td>
<td>PO Box 579</td>
<td>Carthage, TX 75633</td>
<td>Carthage</td>
<td>TX</td>
<td>75633</td>
</tr>
<tr>
<td>110 W Panoia St, Carthage, TX 75633</td>
<td>Physical Location (if different from mailing address)</td>
<td>Physical Location (if different from mailing address)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.
Tyler, Texas
Fiscal Year Ending December 31, 2015

Report Item

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

2a: Organizational Chart

```
MURPHY-PAYNE INVESTMENTS, LTD
TYLER, TX
Incorporated in Texas

49%

CARTHAGE STATE BANCSHARES, INC.
CARTHAGE, TX
Incorporated in Texas

100%

FIRST STATE BANK & TRUST COMPANY
CARTHAGE, TX
Incorporated in Texas
```

No entity in the organization chart has an LEI.

2b: Submitted via email on February 24, 2016.
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 UNNUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

<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 UNNUM</th>
<th>Office Number</th>
<th>Head Office</th>
<th>Head Office ID_RSSD</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>OK</td>
<td></td>
<td>Full Service (Head Office)</td>
<td>1012351</td>
<td>FIRST STATE BANK AND TRUST COMPANY</td>
<td>130 WEST PANOLA STREET</td>
<td>CARTHAGE</td>
<td>TX</td>
<td>75633-20</td>
<td>PANOLA</td>
<td>UNITED STATES</td>
<td>787</td>
<td>3012351</td>
<td>3012351</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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 12-31-2015:

<table>
<thead>
<tr>
<th>(1)(a) Name &amp; Address (City, State/Country)</th>
<th>(1)(b) Country of Citizenship or Incorporation</th>
<th>(1)(c) Percentage of Interest Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thomas F. Murphy Carthage, TX</td>
<td>USA</td>
<td>29.6474%</td>
</tr>
<tr>
<td>John F. Murphy Carthage, TX</td>
<td>USA</td>
<td>29.6474%</td>
</tr>
<tr>
<td>David B. Murphy Carthage, TX</td>
<td>USA</td>
<td>29.6474%</td>
</tr>
<tr>
<td>Foster E. Murphy Carthage, TX</td>
<td>USA</td>
<td>5.5289%</td>
</tr>
<tr>
<td>Mary F. Murphy Carthage, TX</td>
<td>USA</td>
<td>5.5289%</td>
</tr>
</tbody>
</table>

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 12-31-2015:

None
Form FR Y-6
Murphy-Payne Investments, Ltd.
Fiscal Year Ending December 31, 2015

Report Item 4: Insiders
(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

<table>
<thead>
<tr>
<th>(1) Names</th>
<th>(2) Principal Occupation if other than with Bank Holding Company</th>
<th>(3)(a) Title &amp; Position with Bank Holding Company</th>
<th>(3)(b) Title &amp; Position with Subsidiaries (include names of subsidiaries)</th>
<th>(3)(c) Title &amp; Position with Other Businesses (include names of other businesses)</th>
<th>(4)(a) Percentage of Voting Interest in Bank Holding Company</th>
<th>(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)</th>
<th>(4)(c) List names of other companies (including partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thomas F. Murphy</td>
<td>Banker</td>
<td>General Partner</td>
<td>None</td>
<td>General Partner, Murphy Bros. Part.</td>
<td>29.6474%</td>
<td>None</td>
<td>Murphy Bros. Part. 33.33%</td>
</tr>
<tr>
<td>Carthage, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John F. Murphy</td>
<td>Land Architect</td>
<td>General Partner</td>
<td>None</td>
<td>General Partner, Murphy Bros. Part.; Owner, Site Integration Studio, LLC</td>
<td>29.6474%</td>
<td>None</td>
<td>Murphy Bros. Part. 33.33%; Site Integration Studio, LLC 100.00%</td>
</tr>
<tr>
<td>Carthage, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>David B. Murphy</td>
<td>Banker</td>
<td>General Partner</td>
<td>Director, Carthage State Bancshares; Director &amp; Exec VP, First State Bank &amp; Trust Company</td>
<td>General Partner, Murphy Bros. Part.</td>
<td>29.6474%</td>
<td>None</td>
<td>Murphy Bros. Part. 33.33%</td>
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<tr>
<td>Carthage, TX</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foster E. Murphy</td>
<td>Investments</td>
<td>Limited Partner</td>
<td>Director, Carthage State Bancshares; Director, First State Bank &amp; Trust Company</td>
<td>N/A</td>
<td>5.5289%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Carthage, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mary F. Murphy</td>
<td>Investments</td>
<td>Limited Partner</td>
<td>None</td>
<td>N/A</td>
<td>5.5289%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Carthage, TX</td>
<td></td>
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Form FR Y-6
Carthage State Bancshares, Inc.
Fiscal Year Ending December 31, 2015

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 12-31-2015:

<table>
<thead>
<tr>
<th>(1)(a) Name &amp; Address (City, State/Country)</th>
<th>(1)(b) Country of Citizenship or Incorporation</th>
<th>(1)(c) Percentage of Interest Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Murphy-Payne Investments, Ltd. Tyler, TX</td>
<td>USA</td>
<td>11,412 Shares – 49.50%</td>
</tr>
<tr>
<td>Susan Riggs Hill Waco, TX</td>
<td>USA</td>
<td>1,440 Shares – 6.25%</td>
</tr>
<tr>
<td>Sarah Jane Riggs Shreveport, LA</td>
<td>USA</td>
<td>1,440 Shares – 6.25%</td>
</tr>
</tbody>
</table>

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 12-31-2015:

None
Report Item 4: Insiders
(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

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</tr>
</thead>
<tbody>
<tr>
<td>Murphy-Payne Investments, Ltd. Tyler, TX</td>
<td>N/A</td>
<td>Shareholder</td>
<td>N/A</td>
<td>N/A</td>
<td>49.50%</td>
<td>None</td>
</tr>
<tr>
<td>Jimmy D. Payne Carthage, TX</td>
<td>N/A</td>
<td>Director &amp; President</td>
<td>Director &amp; Chairman &amp; CEO, First State Bank &amp; Trust Company</td>
<td>N/A</td>
<td>1.85%</td>
<td>None</td>
</tr>
<tr>
<td>M. Kevin Smith Carthage, TX</td>
<td>N/A</td>
<td>Director &amp; Secretary/Treasurer</td>
<td>Director &amp; CFO, First State Bank &amp; Trust Company</td>
<td>N/A</td>
<td>0.17%</td>
<td>None</td>
</tr>
<tr>
<td>J. R. Duke Carthage, TX</td>
<td>N/A</td>
<td>Director</td>
<td>Director, First State Bank &amp; Trust Company</td>
<td>Limited Partner, JEDCO, Ltd.</td>
<td>0.00%</td>
<td>None</td>
</tr>
<tr>
<td>Lynn C. Vincent Carthage, TX</td>
<td>N/A</td>
<td>Director</td>
<td>Director, First State Bank &amp; Trust Company</td>
<td>N/A</td>
<td>2.73%</td>
<td>None</td>
</tr>
<tr>
<td>Foster E. Murphy Investments</td>
<td>N/A</td>
<td>Director</td>
<td>Director, First State Bank &amp; Trust Company</td>
<td>N/A</td>
<td>0.00%</td>
<td>None</td>
</tr>
</tbody>
</table>
**Form FR Y-6**
Carthage State Bancshares, Inc.
Fiscal Year Ending December 31, 2015

**Report Item 4: Insiders**
(1), (2), (3)(a)(b)(c), and (4)(a)(b)(c)

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</tr>
</thead>
<tbody>
<tr>
<td>David B. Murphy</td>
<td>N/A</td>
<td>Director</td>
<td>Director &amp; Exec VP, First State Bank &amp; Trust Company</td>
<td>General Partner, Murphy Bros. Part.</td>
<td>0.00%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Carthage, TX</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Murphy Bros. Part. 33.33%</td>
<td></td>
</tr>
<tr>
<td>C. Gene Giles</td>
<td>N/A</td>
<td>Director</td>
<td>Director &amp; President, First State Bank &amp; Trust Company</td>
<td>N/A</td>
<td>0.39%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Carthage, TX</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tr>
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