

Edgar Filing: 1ST STATE BANCORP INC - Form SC 13G/A

1ST STATE BANCORP INC  
Form SC 13G/A  
February 12, 2003

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 13G/A  
(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO RULES 13d-1(b), (c) AND (d) AND AMENDMENTS THERETO FILED  
PURSUANT TO RULE 13d-2(b)

(Amendment No. 4) (1)

1st STATE BANCORP, INC.

-----  
(Name of Issuer)

COMMON STOCK

-----  
(Title of Class of Securities)

33645S 10 0

-----  
(CUSIP Number)

N/A

-----  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this  
Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

\_\_\_\_\_  
(1) The remainder of this cover page shall be filled out for a reporting  
person's initial filing on this form with respect to the subject class of  
securities, and for any subsequent amendment containing information which  
would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be  
deemed to be "filed" for the purpose of Section 18 of the Securities  
Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of  
that section of the Act but shall be subject to all other provisions of the  
Act (however, see the Notes).

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1 NAMES OF REPORTING PERSONS:  
1st STATE BANCORP, INC. EMPLOYEE STOCK OWNERSHIP PLAN TRUST  
  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
56-2155141

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*  
  
(a)    
  
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
STATE OF NORTH CAROLINA

|   |   |                          |         |
|---|---|--------------------------|---------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 5 | SOLE VOTING POWER        | 0       |
|   | 6 | SHARED VOTING POWER      | 316,374 |
|   | 7 | SOLE DISPOSITIVE POWER   | 0       |
|   | 8 | SHARED DISPOSITIVE POWER | 316,374 |

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
316,374

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.55%

12 TYPE OF REPORTING PERSON \*  
EP

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS:  
1st STATE BANCORP, INC. DEFERRED COMPENSATION PLAN  
  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
56-0223240

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
STATE OF NORTH CAROLINA

|   |   |                          |         |
|---|---|--------------------------|---------|
| NUMBER OF<br>SHARES   | 5 | SOLE VOTING POWER        | 0       |
| BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON<br>WITH | 6 | SHARED VOTING POWER      | 304,066 |
|   | 7 | SOLE DISPOSITIVE POWER   | 0       |
|   | 8 | SHARED DISPOSITIVE POWER | 304,066 |

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
304,066

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*  
[ ]

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.14%

12 TYPE OF REPORTING PERSON \*  
EP

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS:  
JAMES G. McCLURE

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*

(a) [ ]

(b) [ ]

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4 CITIZENSHIP OR PLACE OF ORGANIZATION  
UNITED STATES OF AMERICA

|   |   |                          |             |
|---|---|--------------------------|-------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 5 | SOLE VOTING POWER        | 47,391 (1)  |
|   | 6 | SHARED VOTING POWER      | 314,963 (2) |
|   | 7 | SOLE DISPOSITIVE POWER   | 47,391 (1)  |
|   | 8 | SHARED DISPOSITIVE POWER | 314,963 (2) |

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
362,354

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*  
[ ]

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
12.02% (3)

12 TYPE OF REPORTING PERSON \*  
IN

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

- (1) Includes 15,816 shares that may be acquired upon the exercise of options exercisable within 60 days.
- (2) Includes 304,066 shares owned by the 1st State Bank Deferred Compensation Plan, of which the reporting person serves as a trustee, and 10,897 shares owned by the reporting person's spouse and/or children.
- (3) Assumes that options for 15,816 shares have been exercised.

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1 NAMES OF REPORTING PERSONS:  
VIRGIL L. STADLER

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*

(a) [ ]

(b) [ ]

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WITH

-----  
 9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
 389,360  
 -----  
 10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*  
 [ ]  
 -----  
 11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
 12.91% (3)  
 -----  
 12 TYPE OF REPORTING PERSON \*  
 IN  
 -----

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

- (1) Includes 15,816 shares that may be acquired upon the exercise of options exercisable within 60 days.
- (2) Includes 316,374 shares owned by the 1st State Bancorp, Inc. Employee Stock Ownership Plan Trust, of which the reporting person serves as a trustee, and 7,430 shares owned by the reporting person's spouse.
- (3) Assumes that options for 15,816 shares have been exercised.

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-----  
 1 NAMES OF REPORTING PERSONS:  
 ERNEST A. KOURY, JR.  
  
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
 -----

-----  
 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*  
  
 (a) [ ]  
  
 (b) [ ]  
 -----

-----  
 3 SEC USE ONLY  
 -----

-----  
 4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 UNITED STATES OF AMERICA  
 -----

|              |       |                          |             |
|--------------|-------|--------------------------|-------------|
| NUMBER OF    | 5     | SOLE VOTING POWER        | 1,000       |
| SHARES       | ----- |                          |             |
| BENEFICIALLY | 6     | SHARED VOTING POWER      | 316,374 (1) |
| OWNED BY     | ----- |                          |             |
| EACH         | 7     | SOLE DISPOSITIVE POWER   | 1,000       |
| REPORTING    | ----- |                          |             |
| PERSON       | 8     | SHARED DISPOSITIVE POWER | 316,374 (1) |
| WITH         | ----- |                          |             |

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9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
317,374

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*  
[ ]

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.58%

12 TYPE OF REPORTING PERSON \*  
IN

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

(1) Consists of 316,374 shares owned by the 1st State Bancorp, Inc. Employee Stock Ownership Plan, of which the reporting person serves as a trustee.

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1 NAMES OF REPORTING PERSONS:  
BERNIE C. BEAN

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
UNITED STATES OF AMERICA

|  |   |                          |             |
|--|---|--------------------------|-------------|
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON<br>WITH | 5 | SOLE VOTING POWER        | 31,675 (1)  |
|  | 6 | SHARED VOTING POWER      | 316,374 (2) |
|  | 7 | SOLE DISPOSITIVE POWER   | 31,675 (1)  |
|  | 8 | SHARED DISPOSITIVE POWER | 316,374 (2) |

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
348,049

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*  
[ ]



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11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
11.54% (3)

12 TYPE OF REPORTING PERSON \*  
IN

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

- (1) Includes 15,816 shares that may be acquired upon the exercise of options exercisable within 60 days.
- (2) Includes 316,374 shares owned by the 1st State Bancorp, Inc. Employee Stock Ownership Plan Trust, of which the reporting person serves as a trustee.
- (3) Assumes that options for 15,816 shares have been exercised.

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Securities and Exchange Commission  
Washington, D.C. 20549

ITEM 1(a) NAME OF ISSUER.  
1st State Bancorp, Inc.

ITEM 1(b) ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES.  
445 S. Main Street  
Burlington, North Carolina 27215

ITEM 2(a) NAME OF PERSON(S) FILING.  
1st State Bancorp, Inc. Employee Stock Ownership Plan ("ESOP"); 1st State Bank Deferred Compensation Plan ("Deferred Compensation Plan"); the following individuals who serve as the trustees of the ESOP: T. Scott Quakenbush, Ernest A. Koury, Jr. and Bernie C. Bean; and the following individuals who serve as trustees of the Deferred Compensation Plan: James G. McClure, Virgil L. Stadler and Richard H. Shirley.

ITEM 2(b) ADDRESS OF PRINCIPAL BUSINESS OFFICE.  
Same as Item 1(b).

ITEM 2(c) CITIZENSHIP.  
See Row 4 of the second part of the cover page provided for each reporting person.

ITEM 2(d) TITLE OF CLASS OF SECURITIES.  
Common Stock, par value \$.01 per share.

ITEM 2(e) CUSIP NUMBER.  
See the upper left corner of the second part of the cover page provided for each reporting person.

ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO RULE 13d-1(b), OR 13d-2(b) OR (c), CHECK WHETHER THE PERSON FILING IS A:

- (f)  [X] An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);

This Schedule 13G also is being filed on behalf of the Deferred Compensation Plan and by each trustee of the ESOP and the Deferred Compensation Plan, filing pursuant to Rule 13d-1(c) and applicable SEC no-action letters.

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ITEM 4. OWNERSHIP.

(a) AMOUNT BENEFICIALLY OWNED: See Row 9 of the second part of the  
-----  
cover page provided for each reporting person.

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(b) PERCENT OF CLASS: See Row 11 of the second part of the cover page  
-----  
provided for each reporting person.

(c) NUMBER OF SHARES AS TO WHICH SUCH PERSON HAS: See Rows 5, 6, 7,  
-----  
and 8 of the second part of the cover page provided for each  
reporting person.

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following: [ ]

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

The ESOP Committee has the power to determine whether dividends on allocated shares that are paid to the ESOP trust are distributed to participants or are used to repay the ESOP loan.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY OR CONTROL PERSON.  
Not applicable.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP.  
Not applicable.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP.  
Not applicable.

ITEM 10. CERTIFICATIONS.

By signing below, each signatory in the capacity of a trustee of the 1st State Bancorp, Inc. Employee Stock Ownership Plan Trust certifies that, to the best of his knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

By signing below, each signatory in the capacity of a trustee of the 1st State Bank Deferred Compensation Plan certifies that, to the best of his knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

By signing below, each signatory in his individual capacity certifies that, to the best of his knowledge and belief, the securities referred to above

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were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

1st STATE BANCORP, INC.  
EMPLOYEE STOCK OWNERSHIP PLAN TRUST

By Its Trustees:

|   |                                    |
|---|------------------------------------|
| /s/ T. Scott Quakenbush<br>-----<br>T. Scott Quakenbush, as Trustee | February 11, 2003<br>-----<br>Date |
| /s/ Ernest A. Koury<br>-----<br>Ernest A. Koury, as Trustee         | February 11, 2003<br>-----<br>Date |
| /s/ Bernie C. Bean<br>-----<br>Bernie C. Bean, as Trustee           | February 11, 2003<br>-----<br>Date |

1st STATE BANK  
DEFERRED COMPENSATION PLAN

By Its Trustees:

|   |                                    |
|---|------------------------------------|
| /s/ Richard H. Shirley<br>-----<br>Richard H. Shirley, as Trustee | February 11, 2003<br>-----<br>Date |
| /s/ James G. McClure<br>-----<br>James G. McClure, as Trustee     | February 11, 2003<br>-----<br>Date |
| /s/ Virgil L. Stadler<br>-----<br>Virgil L. Stadler, as Trustee   | February 11, 2003<br>-----<br>Date |

|   |                                    |
|---|------------------------------------|
| /s/ Richard H. Shirley<br>-----<br>Richard H. Shirley, as an Individual Stockholder | February 11, 2003<br>-----<br>Date |
| /s/ James G. McClure<br>-----<br>James G. McClure, as an Individual Stockholder     | February 11, 2003<br>-----<br>Date |
| /s/ Virgil L. Stadler<br>-----  | February 11, 2003<br>-----         |

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Virgil L. Stadler, as an Individual Stockholder

Date

/s/ T. Scott Quakenbush

February 11, 2003

-----  
T. Scott Quakenbush, as an Individual Stockholder

-----  
Date

/s/ Ernest A. Koury

February 11, 2003

-----  
Ernest A. Koury, as an Individual Stockholder

-----  
Date

/s/ Bernie C. Bean

February 11, 2003

-----  
Bernie C. Bean, as an Individual Stockholder

-----  
Date