1ST STATE BANCORP INC Form SC 13G/A February 12, 2004

SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 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. 5)/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:										
/X/ Rule 13d-1(b)										
/X/ 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).

Page 1 of 14 pages

1

CUSIP	NO. 33	645S 10 0	/	13G	/	Page 2 of 1	l4 Pages
/ 1	/		REPORTING P BANCORP, I	PERSONS: INC. EMPLOYEE STO	OCK OWNERSH	IP PLAN TRUST	
/ /	/ /	I.R.S. IDE 56-2155141		ON NO. OF ABOVE I	PERSONS (EN	IITIES ONLY)	
/ 2	· .	CHECK THE	APPROPRIAT	E BOX IF A MEMBI	ER OF A GRO	 UP *	
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/ / /	PERSO WIT		/ 8 / / /	SHARED DISPOSIT	IVE POWER	311 , 646	
/ 9 /		AGGREGATE 311,646	AMOUNT BEN	EFICIALLY OWNED	BY EACH RE	PORTING PERSON	1
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/ 11 /	/	PERCENT OF	CLASS REF	RESENTED BY AMOU	UNT IN ROW	9	
		TYPE OF RE	EPORTING PE	ERSON			
CUSIP	NO. 33		/		/	Page 3 of 1	 14 Page:
/ 1	/	NAMES OF F	REPORTING P	ERSONS:			

/	/	1st STATE	BANK DEFER	RED COMPEN	SATION PLAN			
/ /	/	I.R.S. IDE 56-0223240		N NO. OF A	BOVE PERSONS	(ENTITIES	ONLY)	
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/ /	PERS WIT		/ 8 / :	SHARED DIS	POSITIVE POW	ER 304,066		
/ 9 /		AGGREGATE 304,066	AMOUNT BEN	EFICIALLY (OWNED BY EAC	H REPORTING	PERSON	
/ 1 / /	/	CHECK BOX SHARES / /	IF THE AGG	REGATE AMO	UNT IN ROW (9) EXCLUDES	CERTAIN	
/ 1 /	1 /	PERCENT OF	F CLASS REP	RESENTED B	Y AMOUNT IN	ROW 9		
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CUS	IP NO. 33	645S 10 0 	/	13G 	/	Page	4 of 14	Pages
 / 1 /		NAMES OF F	REPORTING PI	ERSONS:				
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/		NUMBER OF	/ / /5 / SOLE VOTING POWER 45,934	(1)
/ / /		SHARES BENEFICIALLY OWNED BY	/ 6 / SHARED VOTING POWER 312,045	(2)
/ / /		EACH REPORTING PERSON	/ 7 / SOLE DISPOSITIVE POWER 45,934	(1)
/ / /		WITH	/ 8 / SHARED DISPOSITIVE POWER 312,045	(2)
/	9	/ AGGREGATE A	AMOUNT BENEFICIALLY OWNED BY EACH REPORTING	PERSON
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/	11	/ PERCENT OF / 12.00% (3)	CLASS REPRESENTED BY AMOUNT IN ROW 9	
/	12	/ TYPE OF REI	ORTING PERSON	

- (1) Includes 15,816 shares that may be acquired upon the exercise of options exercisable within $60 \, \mathrm{days}$.
- (2) Includes 304,066 shares owned by the 1st State Bank Deferred Compensation Plan, of which the reporting person serves as a trustee, and 7,979 shares owned by the reporting person's spouse and child.
- (3) Assumes that options for 15,816 shares have been exercised. Based on 2,966,284 shares of common stock outstanding as of December 31, 2003.

CUSIP	NO.	33645S	10	0	/	130	G	/	Page	e 5 of	14	Pages
/ 1	/	NAME	S	F REPO	RTING PE	RSONS	:					
/	/	VIRG	FIL	L. STA	DLER							
/	/											
/	/	I.R.	S.	IDENTI	FICATION	NO. (OF ABOVE	PERSONS	(ENTITIES	ONLY)		

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 / /		NUMBER OF	,	5	,	SOLE VO	OTING E	OWER		63 , 159	(1)
/ / /		SHARES BENEFICIALLY OWNED BY			/ /	SHARED	VOTING	G POWER		312 , 222	(2)
/ / /		EACH REPORTING PERSON		7		SOLE D	ISPOSIT	CIVE POW	VER	63 , 159	(1)
/ / / 		WITH		8		SHARED	DISPOS	SITIVE E	POWER	312 , 222	(2)
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/	11	/ PERCENT O	F C:	LAS	S RE	PRESENTI	ED BY A	MOUNT I	IN ROW	9	
/	12	/ TYPE OF R.	EPO	RTII	NG P	ERSON					

- (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 8,156 shares owned by the reporting person's spouse.
- (3) Assumes that options for 15,816 shares have been exercised. Based on 2,966,284 shares of common stock outstanding as of December 31, 2003.

CUSIP	NO.	33645S 10 0	/	13G	/	Page	6 of	14 Pages
/ 1	 /	NAMES OF RE	 EPORTING	PERSONS:				
/	/	RICHARD H.	SHIRLEY					
/	/							

/	/	I.R.S. ID	ENTIFICATION	N NO. OI	F ABOVE PE	RSONS (E	INTITIES O	NLY)
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, ,	NUMBER	OF	/ / / 5 / S	SOLE VO	FING POWER		47 , 219	(1)
/ /	SHAR BENEFIC OWNED	IALLY	/ 6 / S	SHARED V	OTING POW	ER	304,066	(2)
/ /	EAC REPORT PERSO	ING	/ 7 / S	SOLE DIS	SPOSITIVE	POWER	47,219	(1)
/ /	WITH		/ 8 / 5	SHARED I	DISPOSITIV	E POWER	304,066	(2)
/ 9 /		AGGREGATE 351,285	AMOUNT BENI	EFICIALI	LY OWNED B	Y EACH R	REPORTING	PERSON
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′ 11 ′		PERCENT 03	F CLASS REPI	RESENTEI	D BY AMOUN	T IN ROW	1 9	
12		TYPE OF R	EPORTING PE	RSON				
(2)	exercisa Consists Compensa Assumes	ole withi of 304 tion Plan that op	n 60 days. ,066 share , of which t	es owner the repo	ed by th orting per shares h	e 1st son serv	State Ba res as a t n exercis	rustee. ed. Based or
 CUSIE	NO. 336	45S 10 0	/	13G		/	Page	7 of 14 Pages
 / 1 /	/	T. SCOTT	 REPORTING PI QUAKENBUSH					
/	/	I.R.S. ID	ENTIFICATION	NO. OI	F ABOVE PE	RSONS (E	ENTITIES O	NLY)

/ 2	/ CHECK T	HE APPROPRIATE	E BOX IF A M	EMBER OF A GR	 OUP *	
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/ / 3 /	/ / SEC USE /	ONLY				
/ / 4 /		SHIP OR PLACE STATES OF AMER		TION		
/	NUMBER OF	/ / /5 / S	SOLE VOTING	POWER	65 , 556	(1)
/ / /	NUMBER OF SHARES BENEFICIALLY	/ 6 / S / /	SHARED VOTIN	G POWER	319 , 076	(2)
/ / /	OWNED BY EACH REPORTING	/ 7 / S	SOLE DISPOSI	TIVE POWER	65 , 556	(1)
/ / /	PERSON WITH	/ 8 / S	SHARED DISPO	SITIVE POWER	319 , 076	(2)
/ 9 /	/ AGGREGA / 384,632		EFICIALLY OW	NED BY EACH R	EPORTING	PERSON
/ 10 / /	/ CHECK B / SHARES / //		REGATE AMOUN	T IN ROW (9)	EXCLUDES	CERTAIN
/ 11 /	/ PERCENT / 12.90%		RESENTED BY	AMOUNT IN ROW	9	
/ 12 /	/ TYPE OF /	REPORTING PER	RSON			
(1) (2)	Includes 15,81 exercisable wit Includes 311,64 Ownership Plan and 7,430 share Assumes that	hin 60 days. 6 shares owned Trust, of wh s owned by the	d by the 1st nich the rep e reporting	State Bancor orting person person's spou	p, Inc. E n serves se.	mployee Stock as a trustee,
	2,966,284 share	s of common st	ock outstan	ding as of De	cember 31	
		·				
/ 1 /		F REPORTING PE A. KOURY, JR.	ERSONS:			

/	/	I.R.S. ID	ENTIFI	CATIO	N NO.	OF ABOVE P	ERSONS (E	ENTITIES (ONLY)	
/ 2	/	CHECK THE	APPRO	PRIAT	E BOX	IF A MEMBE	R OF A GF	ROUP *		
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/	NUMBE	R OF				OTING POWE		1,000		
/		RES CIALLY	/ 6 /		SHARED	VOTING PO	WER	311,646	(1)	
/	OWNE EA		 / 7		SOLE D	ISPOSITIVE	POWER	1,000		
/	REPOR PERS	_	/	/						
/	WIT				SHARED	DISPOSITI	VE POWER	311,646	(1)	
/										
/ 9		AGGREGATE 312,646	AMOUN'	T BEN	EFICIA	LLY OWNED	BY EACH F	REPORTING	PERSON	
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/	/	10.54% (2) 							
/ 12	/	TYPE OF RI	EPORTI	NG PE	RSON					
(1)		s of 311,6								
(2)		wnership P. n 2,966,28								
	2003.									
CUSI	P NO. 33	645S 10 0	/		13	 G	/	 Page	9 of 14	 Pages
/ 1	 /	NAMES OF	 REPORT	 ING P	ERSONS					
/	/	BERNIE C.			232.0					
/	/	I.R.S. ID	ENTIFI	CATIO	N NO.	OF ABOVE P	ERSONS (E	ENTITIES (ONLY)	

/	2	/ CHECK THE	APPROP	RIATE BOX	K IF A MEMBER OF A GR	OUP *	
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/ /		/ / /			(b)	/ /	
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/ / / /	4	/ / CITIZENSHI / UNITED STA			DRGANIZATION		
 / /		NUMBER OF	/ / 5		VOTING POWER	31 , 675	(1)
////		SHARES BENEFICIALLY OWNED BY	/ 6 /		ED VOTING POWER	311,646	(2)
////		EACH REPORTING PERSON	/ 7 /		DISPOSITIVE POWER	31 , 675	(1)
//		WITH	/ 8		ED DISPOSITIVE POWER	311,646	(2)
		/ AGGREGATE / 343,321	AMOUNT	BENEFIC:	[ALLY OWNED BY EACH R	EPORTING	PERSON
/ / /		/ CHECK BOX / SHARES / / /	IF THE	AGGREGAT	TE AMOUNT IN ROW (9)	EXCLUDES	CERTAIN
		/ PERCENT OF / 11.51% (3)	CLASS	REPRESE	NTED BY AMOUNT IN ROW	9	
/	12	/ TYPE OF RE / IN	PORTIN	G PERSON			

- (1) Includes 15,816 shares that may be acquired upon the exercise of options exercisable within 60 days.
- (2) Includes 311,646 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. Based on 2,966,284 shares of common stock outstanding as of December 31, 2003.

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SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 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, OR, IF NONE, RESIDENCE. SAME AS ITEM 1(b).
- ITEM 2(c). CITIZENSHIP.

- ITEM 2(d). TITLE OF CLASS OF SECURITIES. Common Stock, par value \$.01 per share.
- ITEM 2(e). CUSIP NUMBER: 33645S 10 0
- 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.
 - (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 $% \left(1\right) =\left(1\right) +\left(1\right) +\left(1\right) =\left(1\right) +\left(1\right)$

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.

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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 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:	Ву	Its	Trustees:
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/s/ T. Scott Quakenbush	February 10, 2004
T. Scott Quakenbush, as Trustee	Date
/s/ Ernest A. Koury, Jr.	February 10, 2004
Ernest A. Koury, Jr., as Trustee	Date
/s/ Bernie C. Bean	February 10, 2004
Bernie C. Bean, as Trustee	Date
1st STATE BANK DEFERRED COMPENSATION PLAN	
By Its Trustees:	
/s/ Richard H. Shirley	February 10, 2004
Richard H. Shirley, as Trustee	Date
/s/ James G. McClure	February 10, 2004
James G. McClure, as Trustee	Date
/s/ Virgil L. Stadler	February 10, 2004
Virgil L. Stadler, as Trustee	Date
/s/ Richard H. Shirley	February 10, 2004
Richard H. Shirley, as an Individual Stockholder	Date
/s/ James G. McClure	February 10, 2004
James G. McClure, as an Individual Stockholder	Date
/s/ Virgil L. Stadler	February 10, 2004
Virgil L. Stadler, as an Individual Stockholder	Date

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/s/ T. Scott Quakenbush	February 10, 2004
T. Scott Quakenbush, as an Individual Stockholder	Date
/s/ Ernest A. Koury, Jr.	February 10, 2004
Ernest A. Koury, Jr., as an Individual Stockholder	Date
/s/ Bernie C. Bean	February 10, 2004
Bernie C. Bean, as an Individual Stockholder	Date