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:
[X] Rule 13d-1(b)
[X] Rule 13d-1(c)
[ ] Rule 13d-1(d)

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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CUSIP NO. 33645S 10 0 13G Page 2 of 12 Pages

<sup>(1)</sup> 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.

1	NAMES OF REP 1st STATE BA		PERSONS:			
		NCORP,	INC. EMPLOYEE STOCK OWNERSH	IP PLAN TRUST		
	I.R.S. IDENT 56-2155141	'IFICATI	ON NO. OF ABOVE PERSONS (EN	FITIES ONLY)		
2	CHECK THE AP	PROPRIA	ATE BOX IF A MEMBER OF A GROU	 JP *		
				(a) [ ]		
				(b) [ ]		
3	SEC USE ONLY					
4	CITIZENSHIP STATE OF NOR		CE OF ORGANIZATION OLINA			
	NUMBER OF	5	SOLE VOTING POWER	0		
	SHARES BENEFICIALLY			316,374		
	OWNED BY EACH REPORTING		SOLE DISPOSITIVE POWER	0		
	PERSON WITH	8	SHARED DISPOSITIVE POWER	316,374		
9	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 316,374					
10	CHECK BOX IF	THE AC	GGREGATE AMOUNT IN ROW (9) EX	KCLUDES CERTAIN SHARES*		
11	PERCENT OF C	LASS RE	EPRESENTED BY AMOUNT IN ROW S	9		
12	TYPE OF REPC EP	RTING E	PERSON *			
* SEE	INSTRUCTIONS BEFC	RE FILI	LING OUT!			
CUSIP	NO. 33645S 10 0		13G	Page 3 of 12 Pages		
 1	NAMES OF REP		PERSONS: INC. DEFERRED COMPENSATION F			
			ON NO. OF ABOVE PERSONS (EN			

2	CHECK THE API	PROPRIA	ATE BOX IF A MEMBER OF A GROU	P *		
				(a) [ ]		
				(b) [ ]		
3	SEC USE ONLY					
4	CITIZENSHIP ( STATE OF NOR)		CE OF ORGANIZATION			
		5	SOLE VOTING POWER	0		
	SHARES BENEFICIALLY	6	SHARED VOTING POWER	304,066		
	OWNED BY EACH		SOLE DISPOSITIVE POWER	0		
	REPORTING PERSON WITH		SHARED DISPOSITIVE POWER			
9	AGGREGATE AMO	OUNT BE	CNEFICIALLY OWNED BY EACH REP	ORTING PERSON		
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES					
11	10.14%					
12	TYPE OF REPOR		PERSON *			
* SEI	E INSTRUCTIONS BEFOR	RE FILI	LING OUT!			
CUSI	P NO. 33645S 10 0		13G	Page 4 of 12 Page:		
1	NAMES OF REPO	ORTING				
	I.R.S. IDENT	FICATI	ON NO. OF ABOVE PERSONS (ENT	ITIES ONLY)		
2	CHECK THE API	ROPRIA	ATE BOX IF A MEMBER OF A GROU	P *		
				(a) [ ]		
				(b) [ ]		
3	SEC USE ONLY					

4 CITIZENSHIP OR PLACE OF ORGANIZATION UNITED STATES OF AMERICA NUMBER OF SOLE VOTING POWER 5 BENEFICIALLY 6 SHARED VOTING POWER 314,963 (2) OWNED BY 7 SOLE DISPOSITIVE POWER 47,391 (1) \_\_\_\_\_ REPORTING 8 SHARED DISPOSITIVE POWER 314,963 (2) PERSON WITH AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 362,354 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\* PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 11 12.02% (3) \_\_\_\_\_ TYPE OF REPORTING PERSON \* 12 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. CUSIP NO. 33645S 10 0 13G Page 5 of 12 Pages NAMES OF REPORTING PERSONS: VIRGIL L. STADLER I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \* (a) [ ] (b) [ ] SEC USE ONLY

\_\_\_\_\_\_

CITIZENSHIP OR PLACE OF ORGANIZATION

UNITED STATES OF AMERICA

	NUMBER OF	5 SC	LE VOTING POWER	64,284 (1)
	SHARES BENEFICIALLY	6 SH	ARED VOTING POWER	312,222 (2)
	OWNED BY EACH	7 SC	LE DISPOSITIVE POWER	64,284 (1)
	REPORTING PERSON WITH	8 SH	ARED DISPOSITIVE POWE	R 312,222 (2)
9	AGGREGATE AMO 376,506	UNT BENEFIC	IALLY OWNED BY EACH R	EPORTING PERSON
10	CHECK BOX IF	THE AGGREGA	TE AMOUNT IN ROW (9)	EXCLUDES CERTAIN SHARES*
11	PERCENT OF CL 12.49% (3)	ASS REPRESE	NTED BY AMOUNT IN ROW	9
12	TYPE OF REPOR	TING PERSON	*	
* SE	E INSTRUCTIONS BEFOR	E FILLING C	UT!	
(1)	Includes 15,816 s exercisable within		may be acquired upon	the exercise of options
(2)	Includes 304,066 s	hares owned		k Deferred Compensation ustee, and 8,156 shares
(3)	owned by the report	ing person'		
(3)	rissumes enac operon	3 101 13 <b>,</b> 01	o shares have been ex	erersea.
CUSI	P NO. 33645S 10 0		13G	Page 6 of 9 Pages
1	NAMES OF REPO RICHARD H. SH		 NS:	
	I.R.S. IDENTI	FICATION NC	. OF ABOVE PERSONS (E	NTITIES ONLY)
2	CURCU EUR ADD	ROPRIATE BO		
-	CHECK THE APP	NOI NIMIE DO	X IF A MEMBER OF A GR	OUP *
2	CHECK THE APP	NOTRIMIE BO	X IF A MEMBER OF A GR	OUP *
_	CHECK THE APP	KOTRITIE BO	X IF A MEMBER OF A GR	
	CHECK THE APP  SEC USE ONLY		X IF A MEMBER OF A GR	(a) [ ]
	SEC USE ONLY	R PLACE OF	ORGANIZATION	(a) [ ]

	BENEFICIALLY	6	SHARED VOTING POWER	304,066 (2)	
	OWNED BY EACH REPORTING PERSON WITH		SOLE DISPOSITIVE POWER	47,219 (1)	
			SHARED DISPOSITIVE POWER	304,066 (2)	
9	AGGREGATE AM 376,506	OUNT BE	NEFICIALLY OWNED BY EACH REPO	DRTING PERSON	
10	CHECK BOX IF	THE AG	GREGATE AMOUNT IN ROW (9) EXC	CLUDES CERTAIN SHARES*	
11	PERCENT OF C 11.65% (3)	LASS RE	PRESENTED BY AMOUNT IN ROW 9		
12	TYPE OF REPO IN	RTING P	ERSON *		
* SE	E INSTRUCTIONS BEFO	RE FILL	ING OUT!		
(1)	Includes 15,816 exercisable within		that may be acquired upon thes.	ne exercise of options	
(2)	Includes 304,066	shares	owned by the 1st State Bank I eporting person serves as a t		
(3)			15,816 shares have been exerc		
	P NO. 33645S 10 0		13G	Page 7 of 12 Pages	
1	NAMES OF REP T. SCOTT QUA				
	I.R.S. IDENT	IFICATI	ON NO. OF ABOVE PERSONS (ENTI	TTIES ONLY)	
2	CHECK THE AP	 PROPRIA	TE BOX IF A MEMBER OF A GROUE	· *	
				(a) [ ]	
				(b) [ ]	
3	SEC USE ONLY				
4	CITIZENSHIP UNITED STATE		E OF ORGANIZATION ERICA		
	NUMBER OF	5	SOLE VOTING POWER	65,556 (1)	
	SHARES BENEFICIALLY	6	SHARED VOTING POWER	323,804 (2)	
	OWNED BY EACH	7	SOLE DISPOSITIVE POWER	65,556 (1)	
	REPORTING PERSON		SHARED DISPOSITIVE POWER	323,804 (2)	

WITH

9	AGGREGATE AMO 389,360	OUNT BE	NEFICIALLY OWNED BY EACH REP	ORTING PERSON
10	CHECK BOX IF	THE AG	GREGATE AMOUNT IN ROW (9) EX	CLUDES CERTAIN SHARES*
11	PERCENT OF CI 12.91% (3)	ASS RE	PRESENTED BY AMOUNT IN ROW 9	
12	TYPE OF REPOF IN	RTING P	ERSON *	
* SI	EE INSTRUCTIONS BEFOR	RE FILL	ING OUT!	
(1)	exercisable within Includes 316,374 sh Ownership Plan Tru	60 day ares o	that may be acquired upon to s. wned by the 1st State Bancor f which the reporting perso the reporting person's spou	p, Inc. Employee Stock n serves as a trustee,
(3)	Assumes that option	s for	15,816 shares have been exer	cised.
CUSI	IP NO. 33645S 10 0		13G	Page 8 of 12 Pages
1	NAMES OF REPO ERNEST A. KOU	_		
	I.R.S. IDENTI	FICATI	ON NO. OF ABOVE PERSONS (ENT	ITIES ONLY)
2	CHECK THE APE	ROPRIA	TE BOX IF A MEMBER OF A GROU	 P *
				(a) [ ]
				(d) [ ]
3	SEC USE ONLY			
4	CITIZENSHIP ( UNITED STATES	R PLAC	E OF ORGANIZATION ERICA	
	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 WITH		SHARED DISPOSITIVE POWER	316,374 (1)

9	AGGREGATE AMO	JNT BENEFICIALLY OWNED BY EACH REF	PORTING PERSON
10	CHECK BOX IF	THE AGGREGATE AMOUNT IN ROW (9) EX	CLUDES CERTAIN SHARES*
11	PERCENT OF CL.	ASS REPRESENTED BY AMOUNT IN ROW S	)
12	TYPE OF REPOR	FING PERSON *	
* SEE INS	TRUCTIONS BEFOR	E FILLING OUT!	
		shares owned by the 1st State Ban, of which the reporting person s	
CUSIP NO.	33645S 10 0	13G	Page 9 of 12 Pages
1	NAMES OF REPO	RTING PERSONS:	
	I.R.S. IDENTI	FICATION NO. OF ABOVE PERSONS (EN	TITIES ONLY)
2	CHECK THE APP	ROPRIATE BOX IF A MEMBER OF A GROU	JP *
			(a) [ ]
			(b) [ ]
3	SEC USE ONLY		
4	CITIZENSHIP O	R PLACE OF ORGANIZATION OF AMERICA	
	MBER OF SHARES	5 SOLE VOTING POWER	31,675 (1)
BENI	EFICIALLY	6 SHARED VOTING POWER	316,374 (2)
	EACH	7 SOLE DISPOSITIVE POWER	
	PORTING PERSON WITH	8 SHARED DISPOSITIVE POWER	316,374 (2)
9	AGGREGATE AMO	JNT BENEFICIALLY OWNED BY EACH REF	PORTING PERSON
10	CHECK BOX IF	FHE AGGREGATE AMOUNT IN ROW (9) EX	KCLUDES CERTAIN SHARES*

11	PERCENT 11.54%		REPRESENTED	BY	AMOUNT	IN	ROW	9
12	TYPE OF	REPORTING IN	G PERSON *					

\* 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  $\ensuremath{\mathsf{Row}}\xspace\,4$  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:

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.

#### ITEM 4. OWNERSHIP.

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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

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	February		
T. Scott Quakenbush, as Trustee	Date		
/s/ Ernest A. Koury	February		
Ernest A. Koury, as Trustee	Date		
/s/ Bernie C. Bean	February		
Bernie C. Bean, as Trustee	Date		
1st STATE BANK DEFERRED COMPENSATION PLAN			
By Its Trustees:			
/s/ Richard H. Shirley	February	11,	2003
Richard H. Shirley, as Trustee	Date		
/s/ James G. McClure	February		
James G. McClure, as Trustee	Date		
/s/ Virgil L. Stadler	February		
Virgil L. Stadler, as Trustee	Date		
/s/ Richard H. Shirley	February		
Richard H. Shirley, as an Individ	Date		
/s/ James G. McClure	February		
James G. McClure, as an Individua	Date		
/s/ Virgil L. Stadler	February	11,	2003

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

Virgil L. Stadler, as an Individual Stockholder