

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-53581; File No. 81-935)

March 31, 2006

Order Granting an Application of Peoples Financial Corporation under Section 12(h) of the Securities Exchange Act of 1934

Peoples Financial Corporation has filed an application under Section 12(h) of the Securities Exchange Act of 1934, as amended, for certain relief. Peoples states that its principal executive offices are located in Biloxi, Mississippi, which is within one of the Presidentially Declared Disaster Areas where Individual Assistance has been authorized by the Federal Emergency Management Agency as a result of Hurricane Katrina, and that its sixteen branch facilities are also located in the Disaster Areas. In its application, Peoples asserts that the relief is necessary due to, among other things, the extraordinary impact of Hurricane Katrina on Peoples's facilities, personnel, customers, and independent public accountants. For example, the application indicates that: (1) Peoples, which is a bank holding company, lost six of the sixteen branch locations of its bank subsidiary, The Peoples Bank; (2) more than twenty percent of its employees lost their homes, another twenty-five percent had serious damages to their homes and several of Peoples's branches served as temporary housing for employees; and (3) company personnel have had to focus on on-going post-Katrina recovery issues such as evaluation of the loan portfolio and recovery and decontamination of items from vaults and safe deposit boxes. Further, the application states that: (1) the Biloxi, Mississippi office of Peoples's independent public accountants, which housed all of their hard copy records and computer files, was destroyed and more than twenty-five percent of their

professional and support staff have relocated out of the area; and (2) Peoples was the only client of its independent public accountants that is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act. Accordingly, Peoples has asked the Commission that Peoples be required to first include the disclosures specified in paragraphs (a) and (b) of Item 308 of Regulation S-K and first comply with Exchange Act Rule 13a-15(c) for the fiscal year ended December 31, 2006.

On March 10, 2006, the Commission issued a notice of the filing of the application and provided, until March 30, 2006, an opportunity for interested persons to request a hearing. In its March 10, 2006 notice, the Commission stated that an order disposing of the application might be issued upon the basis of the information stated therein unless a hearing should be ordered. No request for a hearing has been filed and the Commission has not ordered a hearing.

The matter having been considered, it is found that the requested relief is appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Exchange Act.

IT IS ORDERED, pursuant to Section 12(h) of the Exchange Act, that the application requesting that Peoples be required to first include the disclosures specified in paragraphs (a) and (b) of Item 308 of Regulation S-K and first comply with Exchange

Act Rule 13a-15(c) for the fiscal year ended December 31, 2006, be, and hereby is, granted, effective immediately.

For the Commission, by the Division of Corporation Finance, pursuant to delegated authority.

Nancy M. Morris
Secretary