

FIRST FINANCIAL CORP /TX/
Form 4
January 03, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MANN DAVID W

2. Issuer Name and Ticker or Trading Symbol
FIRST FINANCIAL CORP /TX/ [FFC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
800 WASHINGTON AVENUE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/29/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
President

WACO, TX 76701

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | 12/29/2006 | | C | V Amount \$ 1.5315 (1) | 228,530 | I (2) | Through interest in JRPM |
| Common Stock | | | | | 102,898 | I (2) (3) | Through interests in FFHL |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount |
| Convertible Promissory Note | \$ 1.5315 (1) | 12/29/2006 | | C | \$ 350,000 | 12/13/2005 12/29/2006 | Common Stock 228 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------|-------|
| | Director | 10% Owner | Officer | Other |
| MANN DAVID W 800 WASHINGTON AVENUE WACO, TX 76701 | X | X | President | |

Signatures

David W. Mann 01/02/2007

**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The \$350,000 remaining principal balance of the note was converted into 228,530 shares of common stock at \$1.5315249 per share.

(2) The Reporting Person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein.

The Reporting Person's indirect interest in these shares includes (i) a 30.7% direct limited partner interest in FFHL, (ii) a 68.02% interest in MCRLT, the other limited partner in FFHL holding a 68.3% limited partner interest in FFHL, (iii) a 0.5% general partner interest in FFHL, and (iv) an interest (through the David W. Mann 1990 Trust) in FFC Holdings, Inc., the other 0.5% general partner of FFHL.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.