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FR Y-6  
OMB Number 7100-0297  
Approval expires December 31, 2014  
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Board of Governors of the Federal Reserve System



Annual Report of Bank Holding Companies—FR Y-6

3821756

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844 (c)(1)(A)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11 (a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under section 211.23 of Regulation K (12 C.F.R. § 211.23). The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: The *Annual Report of Bank Holding Companies* must be signed by one director of the top-tier bank holding company. This individual should also be a senior official of the top-tier bank holding company. In the event that the top-tier bank holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report.

Date of Report (top-tier bank holding company's fiscal year-end):

June 30, 2012

Month / Day / Year

I, Anderson L. Smith

Reporter's Name, Street, and Mailing Address

Jefferson Bancshares, Inc.

Name of the Bank Holding Company Director and Official

President and CEO

Legal Title of Bank Holding Company

120 Evans Avenue

Title of the Bank Holding Company Director and Official

(Mailing Address of the Bank Holding Company) Street / P.O. Box

Morristown

TN

37814

City

State

Zip Code

attest that the *Annual Report of Bank Holding Companies* (including the supporting attachments) for this report date have been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

Physical location (if different from mailing address)

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Person to whom questions about this report should be directed:

Jane P. Hutton

CFO, Corporate Secretary

Name

Title

423-586-8421

Area Code / Phone Number / Extension

Area Code / FAX Number

jhutton@jeffersonfederal.com

E-mail Address

www.jeffersonfederal.com

Address (URL) for the Bank Holding Company's web page

Signature of Bank Holding Company Director and Official

Date of Signature

For bank holding companies not registered with the SEC— Indicate status of Annual Report to Shareholders:
[ ] is included with the FR Y-6 report
[ ] will be sent under separate cover
[ ] is not prepared

For Federal Reserve Bank Use Only
RSSD ID \_\_\_\_\_
C.I. \_\_\_\_\_

Does the reporter request confidential treatment for any portion of this submission?
[ ] Yes Please identify the report items to which this request applies:
[ ] In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.
[ ] The information for which confidential treatment is sought is being submitted separately labeled "Confidential."
[X] No

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.25 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection.

\* all Charges per Jan Hutton - called on 10/3/12 DUB



**Jefferson Bancshares, Inc.**

**Form FR Y-6**

**Annual Report**

**Report Items Index**

**June 30, 2012**

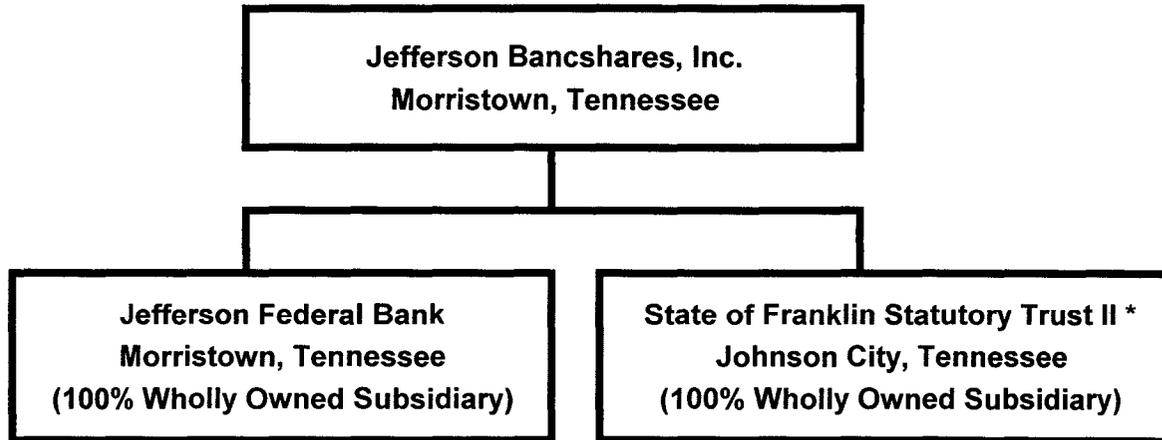
1. **Annual Report**  
NA - Jefferson Bancshares is registered with the SEC.
  
2. **Organization Chart**
  
3. **Shareholders**
  
4. **Directors, Officers and Principal Shareholders**

Form FRY - 6

Report item: 2

**Jefferson Bancshares, Inc.**  
**Organization Chart**

June 30, 2012



\* State of Franklin Statutory Trust II is a trust subsidiary of Jefferson Bancshares, Inc. with Wilmington Trust Company, Wilmington, Delaware, as the Trustee, Jefferson Bancshares, Inc. as Sponsor, and Anderson L. Smith as Administrator.

Form FR Y-6  
Jefferson Bancshares, Inc.  
Fiscal Year Ending June 30, 2012

Report Item 3: Securities Holders

Current securities holders with ownership, control or holdings of 5%  
or more with power to vote as of fiscal year ending June 30, 2012

| (1)a<br>Name<br>city, State   | (1)b<br>Country of<br>Citizenship | (1)c<br>Number and Percent of<br>common Stock Outstanding |
|---|-----------------------------------|---|
| Jefferson Federal Bank<br>Employee Stock Ownership Plan<br>Morristown, TN | USA                               | 637,356 - 9.61%   |
| Friendlander & Co., Inc.<br>Milwaukee, Wisconsin                          | USA                               | 403,683 - 6.09%   |

\* 3.2 -

Ameriprise Financial, Inc. USA - 376,972 - 5.68%  
Minneapolis, Minnesota

**Form FR Y-6**  
**Jefferson Bancshares, Inc.**  
**Fiscal Year Ending June 30, 2012**

Report Item 4: Insiders

| <u>Name</u>                         | <u>Position with Jefferson Bancshares, Inc.</u> | <u>Position with Jefferson Federal Bank</u>          | <u>Position with State of Franklin Statutory Trust</u> | <u>Principal Occupation</u>                                      | <u>% of voting shares in Jefferson Bancshares, Inc.</u> | <u>Names of companies or partnerships if 25% or more of voting securities are held</u> |
|-------------------------------------|---|--|--|--|---|--|
| Terry Brimer<br>Morristown, TN      | Director  | Director   | None   | President and majority owner<br>Doctor's Hospital Pharmacy, Inc. | 2.04%   | Doctor's Hospital Pharmacy, Inc. - 100%  |
| Jack Campbell<br>Whitesburg, TN     | Director  | Director   | None   | President Emeritus<br>Walters State Community College            | 1.49%   | NA   |
| William Hale<br>Morristown, TN      | Director  | Director   | None   | Employed by PFG-Hale, Inc.                                       | 1.26%   | NA   |
| Scott Reams<br>Morristown, TN       | Director and<br>Chairman                        | Director and<br>Chairman                             | None   | Partner in the law firm of<br>Taylor, Reams, Tilson and Harison  | 2.13%   | Taylor, Reams, Tilson & Harrison - 38%<br>RTA (partnership) - 38%                      |
| Anderson Smith<br>Morritown, TN     | President<br>and CEO, Director                  | President and CEO, director                          | Administrator  | Banking  | 2.23%   | NA   |
| Janet Ketner<br>Morristown, TN      | None  | EVP of Retail Banking                                | None   | Banking  | 0.24%   | NA   |
| Douglas Rouse<br>Morristown, TN     | None  | SVP - Lending  | None   | Banking  | 1.12%   | NA   |
| Jane Hutton<br>Greeneville, TN      | Corp. Sec.<br>and Treas.                        | SVP and CFO  | None   | Banking  | 0.79%   | NA   |
| Eric McDaniel<br>Jefferson City, TN | None  | SVP - Chief Information Officer                      | None   | Banking  | 0.72%   | NA   |
| Anthony J. Carasso<br>Knoxville, TN | None  | President - Knoxville Region                         | None   | Banking  | 0.27%   | NA   |
| John W. Beard, Jr.<br>Kingsport, TN | None  | Executive Vice President and Chief Credit Officer    | None   | Banking  | 0.00%   | NA   |
| Gary L. Keys<br>Kingsport, TN       | None  | Executive Vice President and Manager, Special Assets | None   | Banking  | 0.00%   | NA   |

\* % of ownership in subs - N/A overall

Results: A list of branches for your depository institution: JEFFERSON FEDERAL BANK (ID\_RSSD: 983671).  
 This depository institution is held by JEFFERSON BANCSHARES, INC. (3821756) of MORRISTOWN, TN.  
 The data are as of 06/30/2012. Data reflects information that was received and processed through 07/05/2012.

**Reconciliation and Verification Steps**

1. In the **Data Action** column of each branch row, enter one or more of the actions specified below.
2. If required, enter the date in the **Effective Date** column.

**Actions**

OK: If the branch information is correct, enter 'OK' in the **Data Action** column.  
 Change: If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the **Data Action** column and the date when this information first became valid in the **Effective Date** column.  
 Close: If a branch listed was sold or closed, enter 'Close' in the **Data Action** column and the sale or closure date in the **Effective Date** column.  
 Delete: If a branch listed was never owned by this depository institution, enter 'Delete' in the **Data Action** column.  
 Add: If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the **Data Action** column and the opening or acquisition date in the **Effective Date** column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

**Submission Procedure**

When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.  
 If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:  
 To satisfy the **FR Y-10 reporting requirements**, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a **Data Action** of Change, Close, Delete, or Add.  
 The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - <https://y10online.federalreserve.gov>.

\* FDIC UNINUM, Office Number, and ID\_RSSD columns are for reference only. Verification of these values is not required.

| Data Action | Effective Date | Branch Service Type        | Branch ID_RSSD* | Popular Name                               | Street Address                 | City         | State | Zip Code | County     | Country       | FDIC UNINUM* | Office Number* | Head Office            | Head Office ID_RSSD* | Comments |
|-------------|----------------|----------------------------|-----------------|--|--------------------------------|--------------|-------|----------|------------|---------------|--------------|----------------|------------------------|----------------------|----------|
| OK *        |                | Full Service (Head Office) | 983671          | JEFFERSON FEDERAL BANK                     | 120 EVANS AVENUE               | MORRISTOWN   | TN    | 37814    | HAMBLEN    | UNITED STATES | 56280        | 0              | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 3831586         | FARRAGUT BRANCH                            | 11916 KINGSTOWN PIKE           | FARRAGUT     | TN    | 37934    | KNOX       | UNITED STATES | 479954       | 8              | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 3740192         | BOONES CREEK BRANCH                        | 4718 NORTH ROAN STREET         | JOHNSON CITY | TN    | 37615    | WASHINGTON | UNITED STATES | 442500       | 5              | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 2652908         | OAKLAND AVENUE BRANCH                      | 1000 WEST OAKLAND AVENUE       | JOHNSON CITY | TN    | 37604    | WASHINGTON | UNITED STATES | 490946       | 14             | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 2409997         | TRI-CITIES REGIONAL HEADQUARTERS BRANCH    | 1907 NORTH ROAN STREET         | JOHNSON CITY | TN    | 37601    | WASHINGTON | UNITED STATES | 482618       | 13             | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 2530172         | WEST WALNUT BRANCH                         | 612 WEST WALNUT STREET         | JOHNSON CITY | TN    | 37604    | WASHINGTON | UNITED STATES | 290411       | 1              | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 2978402         | COLONIAL HEIGHTS BRANCH                    | 4409 FORT HENRY DRIVE          | KINGSPORT    | TN    | 37663    | SULLIVAN   | UNITED STATES | 360975       | 4              | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 2530181         | WEST CENTER BRANCH                         | 240 WEST CENTER STREET         | KINGSPORT    | TN    | 37662    | SULLIVAN   | UNITED STATES | 290412       | 2              | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 3831616         | BEARDEN-KNOXVILLE REGIONAL HEADQUARTERS BR | 6501 KINGSTON PIKE             | KNOXVILLE    | TN    | 37919    | KNOX       | UNITED STATES | 481894       | 9              | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Limited Service            | 3831531         | EAST MAIN STREET BRANCH                    | 143 EAST MAIN STREET           | MORRISTOWN   | TN    | 37814    | HAMBLEN    | UNITED STATES | 481897       | 12             | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Full Service               | 3831595         | MERCHANTS GREENE BRANCH                    | 123 MERCHANTS GREENE BOULEVARD | MORRISTOWN   | TN    | 37814    | HAMBLEN    | UNITED STATES | 479953       | 7              | JEFFERSON FEDERAL BANK | 983671               |          |
| OK          |                | Limited Service            | 3831540         | WEST MORRIS BOULEVARD BRANCH               | 1960 WEST MORRIS BOULEVARD     | MORRISTOWN   | TN    | 37814    | HAMBLEN    | UNITED STATES | 481896       | 11             | JEFFERSON FEDERAL BANK | 983671               |          |

PMB

\* per Jane Hutton