

Jefferson Bank

VIEW & OVERVIEW

Second Quarter 2010

www.JeffersonBankFL.com

Issue 2 Vol 3

CHAIRMAN'S LETTER



Dear Fellow Jefferson Shareholder:

At a time when many banks are still struggling, it is gratifying to report our first quarterly operating profit.

Jefferson Bank's after tax operating profit for the quarter ending June 30, 2010 was \$14,179. Including an after tax \$41,512 Gain on Sale of Securities, the Second Quarter bottom line was \$55,691. Though it is certainly good to be "in the black", our goals remain much higher.

At June 30, 2010, Total Assets were \$102,925,000 up 44% year over year, Total Loans of \$54,533,000 were up 34% from a year ago and the Loan Loss Reserve of 2.80% of Loans is substantially higher than 1.34% the year before. Total Deposits, including Customer Repurchase Accounts, were \$77,049,000, an increase of 58%. 2010 Year-to-Date loss from Operations is \$86,734 much improved from the 2009 Second Quarter loss from Operations of \$344,547.

As of June 30, 2010, Book Value per share is \$9.08 versus \$9.09 from the prior year.

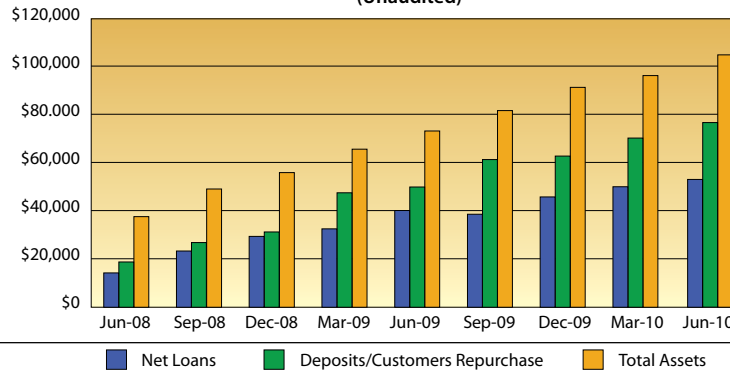
Bauer Financial rated Jefferson Bank one of only 14 - ★★★★★ rated banks in the Tampa Bay area.

I am happy to announce two new important team members to Jefferson Bank: Patti Rhodes, VP/ Deposit Operations and Elena Katsulos, Reverse Mortgage Specialist and Mortgage Loan Originator. Successful in their respective banking fields, we are truly fortunate to have them join the Jefferson Bank Team. Read more about Patti and Elena in the second quarter Jefferson Newsletter.

If you are not yet a customer I want to ease your mind about changing banks. There is no reason not to - and I guarantee it. Yes, I guarantee it. If you are not happy with the customer service at Jefferson Bank, we will reimburse you for the cost of your checks to switch back to your other bank.

On behalf of the Board and our Team of Jefferson Bankers we thank all our customers and shareholders who grace Jefferson Bank with their trust and business. Keep your money in your bank and our community by opening your Jefferson Bank Accounts today.

Financial Highlights \$(000)
(Unaudited)



Sincerely,

Robert B. McGivney
Chairman / CEO

Member FDIC



JEFFERSON BANK OF FLORIDA OLDSMAR, FLORIDA SECOND QUARTER, 2010 (UNAUDITED)

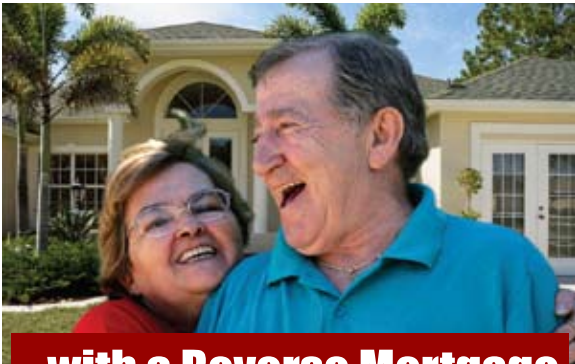
ASSETS

LIABILITIES AND STOCKHOLDERS' EQUITY

Cash & Due From Banks	\$838,000	Deposits	\$73,210,000
Securities	45,781,000	Customer Repurchase Agreements	3,839,000
		Total Deposits & Repurchase Agreements	\$77,049,000
Total Loans	\$54,533,000		
Allowance for Loan Loss	(1,524,000)	Total Borrowings	\$7,275,000
Net Loans	\$53,009,000	Other Liabilities	445,000
		Total Liabilities	\$84,769,000
Premises & Equipment	\$1,327,000		
Other Assets	1,970,000	Stockholders' Equity	18,156,000
Total Assets	<u>\$102,925,000</u>	Total Liabilities & Stockholders' Equity	<u>\$102,925,000</u>

Jefferson Bank

Put Your Equity to Work For You



...with a Reverse Mortgage

As we introduce you to Elena Katsulos our resident reverse mortgage specialist we also want you to know how many homeowners are discovering the benefits of a reverse mortgage. Reverse mortgage is a popular home loan that was created specifically for our 62 and older homeowners. It is a retirement tool whose time has come, especially for homeowners who want to convert part of their home's equity into cash. The proceeds can be used for virtually anything. Supplement your retirement cash flow, help fund healthcare costs, retire existing debt, even an existing mortgage, pay for home repairs or modifications, even secure a cash reserve for emergencies.

- **What is a reverse mortgage?**

It is a home loan that allows you to access a portion of your home's equity and use the tax-free proceeds however you choose (please consult a tax advisor). With this type of loan, you retain your home's title, and no monthly reverse mortgage payment is required for as long as you continue to live in the home or until a maturity event occurs. The property must be your primary residence

- **Who is eligible for a reverse mortgage?**

All borrowers must be title holders of the property and age 62 or older. That is it!

- **Does my credit score or income influence my eligibility?**

There are no income or credit score qualifications! Also this is a non-recourse loan. This means, if the loan balance exceeds the home's value at maturity, there is no-recourse to you as long as you, your estate or heirs sell the property to pay off the debt.

To learn more about this product and to put your equity to work for you call:

Elena at 813.749.2730 or Kyle at 813.749.2740.

Jefferson Bank Focus



Elena Katsulos, Mortgage Loan Originator and Reverse Mortgage Specialist joined Jefferson Bank on June 16, 2010.

Elena grew up in Tarpon Springs and has lived in North Pinellas County most of her life. From 1996-2004 she lived in Manhattan and worked for a computer hardware, software company on Wall Street. Since her main sector was financial services Elena's clients were NYSE, NASDAQ, Canter Fitzgerald, Lehman Brothers, and Bear Stearns to name a few. Until 2005, her career centered on technology but after 9/11 when this industry changed she decided to explore a new career and focused her attention on financial services.

Since mid 2005, after doing extensive research on the financial industry she made the move and has been working in the Mortgage Industry specializing in reverse mortgage and helping hundreds of individuals ages 62 plus.

A reverse mortgage is a way for borrowers age 62 and older to conveniently access a portion of their available home equity while maintaining home ownership. There are no income or credit score qualifications. The loan amount is determined by several factors, including: homeowner's age, current appraised market value of home and current interest rate. Approval could be easier than you think!

Elena has been a member of the National Reverse Mortgage Lenders Association (NRMLA) that regulates the Reverse Mortgage industry since 2004. Until recently, she held a position on the NRMLA Congressional Committee, this committee interacts closely with our congressional representatives.

Elena has strong family roots in the area, her mom and dad are Theo and Mary Katsulos who are co-owners of Acme Sponge and Chamois Company in Tarpon Springs. She enjoys entertaining family and friends, needlepoint and traveling. Her last trip was to Beirut, Lebanon touring the city and countryside which Elena says was "an amazing experience."

Elena has already helped hundreds of homeowners. She will give you a quick response while helping you explore your Mortgage options. Elena Katsulos, Reverse Mortgage Specialist – 813.749.2730.

Jefferson Bank

Jefferson Bank Board of Directors:

Gary L. Blackwell,
Real Estate Developer and Investor

David L. Brandon, President
Brandon Construction Company, Inc.

Ronald S. Hockman, President
Hockman Insurance Agency, Inc.

Stephen H. Jacobs, M.D., Board Certified Internal
Medicine and President of Morton Plant Mease Primary
Care

Robert B. McGivney, Chairman/CEO,
Jefferson Bank of Florida

Joseph L. Oliveri, A.I.A., Oliveri Architects

Paul J. Wikle, CCIM, Coldwell Banker/Commercial NRT/
Real Estate Investor

Jefferson Bank of Florida Officers

Robert B. McGivney
Chairman/CEO

James P. Nelson
President/Chief Operating Officer
Senior Lending Officer

Mickey Orr
Executive Vice President
Chief Financial Officer

Susan L. Martin
Senior Vice President
Commercial Lending

Patricia C. Rhodes
Vice President/Operations

Maggie Mathey
Vice President/Loan Operations

Joseph M. LaRussa
Vice President/Commercial Lending

Renee K. Jones
Vice President/Treasury Management

Meredith James
Vice President/Financial Center Manager

Linda Jouben
BSA/Bank Compliance Officer

Kyle Jemtrud
Residential Lending Manager

Elena Katsulos
Reverse Mortgage Specialist
Mortgage Loan Originator

Jefferson Bank Focus



Patti Rhodes, Vice President/Operations, joined Jefferson Bank in April, 2010. Patti was born at Bittburg Air Force Base, Germany. She has lived in Florida for 37 years and attended St Petersburg Junior College and earned several Florida Bankers Association Certificates from the University of South Florida. Patti and her husband, Randy, have been married for 27 years and have a son, Ryan.

Patti's banking career spans 32 years, starting in 1978 working as a teller at a local community bank in St.Petersburg. Patti joined SouthTrust Bank in 1987 where she remained for 18 years and held various positions; Assistant Branch Manager, Branch Manager, Security Officer, and Operations Manager. SouthTrust Bank was acquired by Wachovia Bank in 2004, where Patti became an Operations Consultant. In 2005, Patti joined First State Bank as Vice President/Trainer & Branch Coordinator. In 2007, she became Executive Vice President of Administration and Operations.

Patti is excited to be joining the team at Jefferson Bank. "There is a spirit of commitment and success that is contagious. The team of Jefferson Bankers care about their customers and are committed to serving and building relationships while offering a wide array of competitive products and services." She continues, "I feel blessed to be working with such a dedicated group of banking professionals and I am proud to represent the bank."

Patti has served the community by contributing and volunteering for United Way, American Heart Association, American Cancer Society, C.E.R.T (Citizens Emergency Response Team/Indian Rocks Beach), Habitat for Humanity, D.A.R.T. (Disaster Animal Response Team), and Pinellas County Animal Foundation.

Free ATM Withdrawals

**Free
withdrawals
at ALL Publix.
Presto! ATMs
for Jefferson
Customers.**



Jefferson Bank

**GIVE US 10 MINUTES
WITH YOUR CEO
AND WE'LL SHOW THEM
A BETTER BANK**

**AND GIVE YOU A
REALLY COOL UMBRELLA**



Call to set up an appointment face to face with your CEO to talk with Bob McGivney, Chairman / CEO or Jim Nelson, President / COO of Jefferson Bank and one of our new Jefferson Bank umbrellas WILL BE yours.

We will show your CEO how Jefferson Bank has your business covered rain or shine and where true Relationship Banking is the rule and not the exception. What matters most to us is developing relationships and gaining an insight and an understanding of your business. To your advantage, we have seasoned bankers that have lived and worked in this market for many years.

Aren't you ready to deal with a real banker? Call today - Bob McGivney, Chairman / CEO 813.749.2727 or Jim Nelson, President / COO - 813.749.2777. Jefferson Bank Relationship Banking includes meeting with the owner / CEO to design a complete package of services that work together to make your company run smoothly.

Enjoy the convenience of some of the following:

CASH MANAGEMENT

Online Banking

Jefferson Bank Online Banking gives you secure and convenient access to your accounts 24 hours a day, 7 days a week.

JEFF Remote Deposit

With our JEFF Remote Deposit Scanner, it's like opening a Branch right in your office.

- Scan checks. Using a desktop check scanner, simply scan both sides of the checks in a single pass.
- Prepare Deposit. View scanned check images on your computer screen. The dollar amounts are automatically read and the deposit is totaled.
- Submit Deposit. Click "Submit Deposit" and the deposit is electronically sent to the bank through a secure internet connection.

Member FDIC

Jefferson Bank
A BETTER BANKING EXPERIENCE

Business Checking, Loans, and Merchant Services



Jefferson Bank

V I E W & O V E R V I E W

3711 Tampa Road
Oldsmar, FL 34677

Jefferson Bank
A Better Banking Experience

