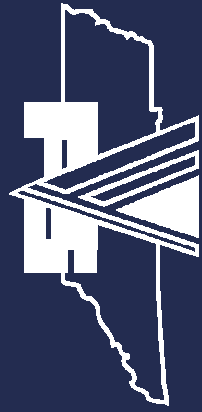




# Statement of Condition December 31, 2011

# Volunteer Federal



## Volunteer Federal

### Main Branch

108 Main Street  
Madisonville, TN 37354

### Sweetwater Branch

415 E. North Street  
Sweetwater, TN 37874

### Tellico Plains Branch

111 Cherohala Skyway  
Tellico Plains, TN 37385

### Madisonville 68 Branch

4650 New Highway 68  
Madisonville, TN 37354

### Sweetwater 68 Branch

906 New Highway 68  
Sweetwater, TN 37874

### Vonore Branch

1111 U.S. Highway 411  
Vonore, TN 37885

## BOARD OF DIRECTORS

**Larry Hicks**  
Board Chairman

**John H. (Bob) Dalton**  
President

**Charles Hall**  
Secretary/Treasurer

**Bobby Richesin**  
Vice-Chairman

**Carol Hammontree**  
Vice President

**Gilbert (Bert) Blankenship**  
Board Member

## OFFICERS

**Larry Hicks**  
Chairman  
Chief Executive Officer

**John H. (Bob) Dalton**  
President  
Chief Operating Officer

**Bobby Moser**  
Vice President  
Loan Administration

**Ruby McLemore**  
Vice President  
Branch Manager

**Sonya Harris**  
Vice President  
Branch Manager

**Rita White**  
Assistant Vice President  
Branch Manager, CRA

**Shelia Knox**  
Assistant Vice President  
Branch Manager, BSA/AML

**Rob Rule**  
Assistant Vice President  
Branch Manager

**Kressa Mason**  
Assistant Vice President  
Assistant Branch Manager

**Tim Moree**  
Assistant Vice President  
Security, FACTA

**Adam Pennington**  
Assistant Vice President  
Operations

**Rodney Cross**  
Assistant Vice President  
Technology

**Charlie Robbins**  
Assistant Vice President  
Compliance

**Leslie Hicks**  
Branch Manager

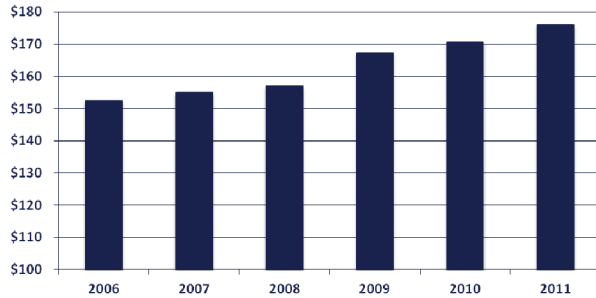
**David Viar**  
Assistant Branch Manager

**Abby Cook**  
Loan Officer

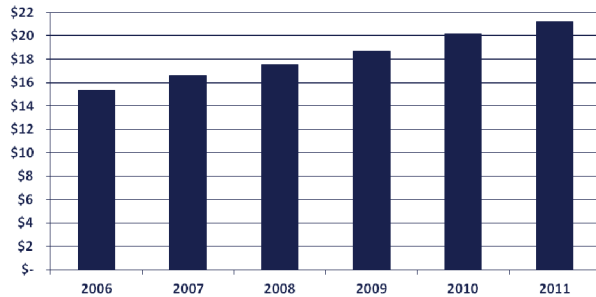
**Jami Babb**  
Assistant Operations Officer

# Volunteer Federal Statement of Condition — as of December 31, 2011

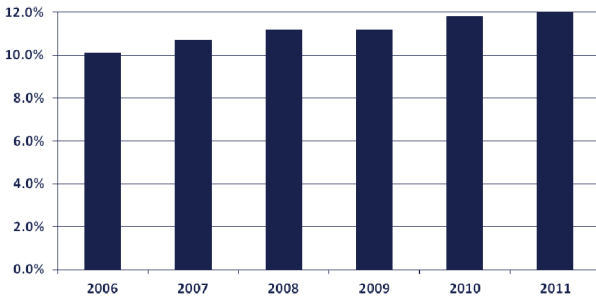
Total Asset Growth in Millions



Net Worth in Millions



Capital Assets Ratio



## ASSETS

2011

### Loans on Real Estate

*These include investments in carefully selected loans on homes and other prime properties and investments. These loans afford many of our customers the opportunity to own their own homes.*

**\$116,744,271.65**

### Other Loans

*These are loans to our customers for any worthwhile reason: Savings Loans, Auto Loans, Personal Loans, Boat Loans, Mobile Home Loans, etc.*

**\$24,953,221.55**

### Cash, Government Bonds and Securities

*In order to meet the daily requirements of our savers and borrowers, Volunteer Federal maintains substantial liquidity prudently invested in exceptionally sound government bonds and other short term investments.*

**\$22,520,127.37**

### Real Estate Owned

**\$1,697,779.98**

### Other Assets

*This account includes stock in wholly owned service corporations, prepaid income tax, bank owned life insurance, and sundry prepaid items.*

**\$3,808,002.02**

### Federal Home Loan Bank (FHLB) Stock

*Our required purchase of stock in the Federal Home Loan Bank entitles us to membership in the FHLB credit system.*

**\$1,428,200.00**

### Office, Land, Buildings and Equipment

*Investment in Volunteer Federal's offices and equipment is carried at cost less depreciation.*

**\$4,824,746.74**

## TOTAL ASSETS

**\$175,976,349.31**

## LIABILITIES AND NET WORTH

2011

### Savings and Checking Accounts

*This amount is entrusted to Volunteer Federal by individuals, families, businesses and fiduciaries. Savings are insured by the Federal Deposit Insurance Corporation (FDIC) and are further protected by sound investments in real estate loans and other assets and by our strong net worth.*

**\$125,634,951.68**

### Federal Home Loan Bank (FHLB) Advances

*The FHLB provides member institutions with a dependable source of credit when supplementary funds are needed due to seasonal or other fluctuations in the economy. As a member of the FHLB system, we have utilized that line of credit in order to serve the demand for real estate loans in our lending area.*

**\$27,951,177.37**

### Other Liabilities

*Other liabilities include accrued interest, accrued taxes, accounts payable and deferred income tax.*

**\$1,161,920.94**

### Net Worth

*Accumulated net earnings provide additional protection for our savers. This amount is more than double the minimum amount required by law. Volunteer Federal's net worth is 12.06% of assets.*

**\$21,228,299.32**

## TOTAL LIABILITIES AND NET WORTH

**\$175,976,349.31**