

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



FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) June 27, 2012

CORNERSTONE BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

Tennessee

(State or other jurisdiction
of incorporation)

000-30497

(Commission File Number)

62-1173944

(IRS Employer
Identification No.)

**835 Georgia Avenue, Chattanooga,
Tennessee**

(Address of principal executive offices)

37402

(Zip Code)

Registrant's telephone number, including area code

(423) 385-3000

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Corporate Governance and Management

The Registrant announced the official appointments of Nathaniel F. Hughes as Chief Executive Officer; J. Robert Vercoe, Jr. as Chief Credit Officer; and John H. Coxwell, Sr. as Executive Officer.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

99.1 Press release dated June 18, 2012, announcing the hiring and appointment of John H. Coxwell, Sr. as Executive Officer of the Bank.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CORNERSTONE BANCSHARES, INC . _____
(Registrant)

Date: June 27, 2012

By: /s/ Nathaniel F. Hughes _____
Nathaniel F. Hughes,
President

**John H. Coxwell, Sr. Appointed Executive Officer of
Cornerstone Community Bank**

Cornerstone Community Bank of Chattanooga, TN announced the appointment of John H. Coxwell, Sr. as Executive Officer, effective June 1, 2012. Coxwell brings a 30-plus-year career as a Certified Public Accountant (CPA) and financial institution specialist to his new position. His extensive CPA experience includes managerial positions with Deloitte & Touche and, most recently, 13 years as Managing Partner of Hazlett, Lewis & Bieter, PLLC. In his new role with Cornerstone, he will be responsible for working in conjunction with President Frank Hughes to oversee and manage all bank operations.

“We are extremely pleased to welcome John aboard,” said Hughes. “He brings a wealth of expertise and in-depth knowledge that will make him an outstanding addition to the management team and a tremendous asset to Cornerstone.”

Originally from Waynesboro, MS, Coxwell moved to Chattanooga from Mobile, AL in 1988, through a transfer with Deloitte & Touche. He has been very active with civic involvement in the local community, including Board positions with the Chattanooga Symphony & Opera and READ Chattanooga (now Re:Start – The Center for Adult Education), where he also served as Board President. In addition, he is a former member of the Kiwanis Club of Chattanooga and Chattanooga Downtown Rotary Club. He and his wife of 42 years have three children and five grandchildren, and reside in the Hixson area. In his limited but precious spare time, he enjoys all outdoor activities, including hunting, fishing and gardening.

Locally owned and locally operated, Cornerstone Community Bank has five full-service branch locations throughout the Chattanooga MSA and specializes in providing a comprehensive range of customized financial solutions for businesses and individuals.

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