

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75265-5906

Notice 06-50
September 27, 2006

ELECTION OF DIRECTORS REPORT OF NOMINATIONS – VOTING PROCEDURES

To All Member Banks in the Eleventh Federal Reserve District:

In accordance with the provisions of Section 4 of the Federal Reserve Act and the announcement dated August 15, 2006, in regard to the election of directors of this Bank to succeed Matthew T. Doyle, Class A Director, and Judy Ley Allen, Class B Director, whose terms expire December 31, 2006, the names of the candidates nominated for such directorships and the names of the banks that made the nominations are set out on pages 3 and 4.

I also enclose for each bank in Group 1 a preferential ballot for use in voting for a Class B Director and for each bank in Group 3 a preferential ballot for use in voting for a Class A Director. An envelope bearing on its face the certificate in regard to the vote and an envelope marked "Ballot," in which the ballot is to be sealed, are also provided. The ballot and certificate on the envelope must be executed by an officer who has been authorized to cast the vote. To ensure the confidentiality of the balloting, please do not write the name of the bank or of the voting officer on the ballot but only on the certificate envelope. When several banks are subsidiaries of a bank holding company,* **the voting forms are being sent only to the bank designated to participate in this election;** therefore, banks in Groups 1 and 3 that will not participate in this election are being sent this notice, without forms, only for their information.

Please follow carefully the instructions that are printed on the ballot and the certificate envelope.

The following procedure is required in the case of both the Class A and Class B ballots:

- (1) The preferential ballot should be marked.**
- (2) It should then be placed in the envelope marked "Ballot" and the envelope sealed.**
- (3) After the certificate on the certificate envelope is executed, the sealed envelope should be placed within the certificate envelope.**
- (4) The sealed certificate envelope containing the sealed ballot envelope should then be returned to me in the enclosed self-addressed envelope.**

Under the law, the ballot must be returned to me within 15 days after its receipt. The polls will open on October 4, 2006, and close at 2 p.m. on October 19, 2006. At that time, the ballots will be opened, the votes counted, and the results of the election announced. The candidates are invited to be present or represented on that occasion.

*Section 4 of the Federal Reserve Act, as amended, reads in part as follows:

"...That whenever any member banks within the same Federal Reserve district are subsidiaries of the same bank holding company within the meaning of the Bank Holding Company Act of 1956, participation in any such nomination or election by such member banks, including such bank holding company if it is also a member bank, shall be confined to one of such banks, which may be designated for the purpose by such holding company."

The Board of Governors of the Federal Reserve System has ruled that a holding company affiliate, having one or more subsidiary banks in each of the three groups into which member banks of a Federal Reserve district are divided for the purpose of electing directors, may designate one such bank in each group to participate in the nomination and election of each Class A Director and each Class B Director chosen by the group of which such bank is a member and such member bank so designated may validly participate in such nomination and election. **Accordingly, banks in Groups 1 and 3 affected by the foregoing provision of law are requested to take prompt action to have the appropriate bank holding company designate, if it has not already designated, one of such banks to participate in this election.**

While the banks in Group 2 will not vote in this election, this notice is sent to them, without forms, for their information. Group 2 consists of member banks with combined capital and surplus of over \$3,500,000 but under \$15,000,000.

Sincerely,

A handwritten signature in black ink, appearing to read "Ray L. Hunt". The signature is fluid and cursive, with the first name "Ray" being particularly prominent.

Ray L. Hunt
Chairman of the Board

Enclosures (4)

CANDIDATE FOR CLASS B DIRECTOR

Margaret H. Jordan

President and Chief Executive Officer
Dallas Medical Resource
Dallas, Texas

Margaret Jordan is president and chief executive officer of Dallas Medical Resource, which was reestablished in 2004 to address the viability of the health care delivery system in North Texas. Jordan is responsible for the operations of Dallas Medical Resource, a consortium of leaders from the business and health care community organized to develop Dallas as a major regional, national and international center for health and to address issues of importance to the health care community.

Jordan was previously vice president of corporate affairs for Texas Health Resources, where she was responsible for stakeholder relationship management, government relations, community health and benefit, and the system's diversity initiative.

Jordan serves on various boards of directors, including the Public Health Institute, Texas Institute for Health Policy Research, the Women's Museum and the Dallas Museum of Art. She is founding director and lifetime member of the National Black Nurses Association, a member of the Executive Leadership Council and the Committee of 200.

In 2004, Jordan was the recipient of Southern Methodist University's Maura Award, given in recognition of individuals and groups for their outstanding contributions to improving the lives of women and girls in the metroplex. In 2003, Jordan was honored by the Urban League of Greater Dallas and North Central Texas with its Whitney M. Young Jr. Humanitarian Award for her long-standing support of the league and community service.

Jordan holds a Bachelor of Science degree in nursing from Georgetown University and a Master of Public Health degree from the University of California. She has also completed the Advanced Management Program at the Harvard School of Business.

Nominated by the following banks in Group 1:

TEXAS

San Antonio, Texas The Frost National Bank
Texas Community Bank, N.A. Somerset, Texas

NOTE—A list of the banks in Group 1, showing the officers authorized to cast the vote of each bank, is given on page 5 of this notice.

CANDIDATE FOR CLASS A DIRECTOR

Pete A. Cook

President and Chief Executive Officer
First National Bank in Alamogordo
Alamogordo, New Mexico

Pete A. Cook is president and chief executive officer of First National Bank in Alamogordo, New Mexico. He began his financial career in 1971 with Pacific Finance in Hobbs, New Mexico. In 1972, he was promoted to branch manager of the Farmington, New Mexico, office. After resigning his position as executive branch manager in 1981, Cook accepted a vice president position with First National Bank of Lea County in Hobbs, New Mexico. He joined First National Bank in Alamogordo in 1986, becoming the president and chief executive officer in 1990.

Cook is a board member of the Alamogordo Foundation and treasurer of the Otero County Economic Development Council. He also serves as a committee member for the Committee of Fifty-Executive and Grace Methodist Endowment. His memberships include Alamogordo Chamber of Commerce and United Way. In the past, Cook served on the boards of the New Mexico Bankers Association and the Independent Bankers Association.

Cook attended Eastern New Mexico University and the College of the Southwest, where he studied economics. He also attended banking school at Oklahoma University and Southern Methodist University, Southwestern Graduate School of Banking.

Since January 1, 2003, Cook has been serving as a director for the Federal Reserve Bank of Dallas, El Paso Branch.

Nominated by the following banks in Group 3:

NEW MEXICO

First National Bank in Alamogordo Alamogordo,
New Mexico

TEXAS

Texas First Bank Texas City, Texas
Brady National Bank Brady, Texas

NOTE—A list of the banks in Group 3, showing the officers authorized to cast the vote of each bank, is given on pages 6 through 8 of this notice.

GROUP 1

Consists of all member banks with combined capital and surplus of \$15,000,000 and over.

Banks in this group elect one Class B Director.

TEXAS		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Abilene	First Financial Bank, National Association	Chairman, President, Vice President, Cashier
Amarillo	Amarillo National Bank	Chairman, President, Vice President, Cashier
Bellaire	Tradition Bank	Executive Vice President
Bryan	Citibank Texas, National Association	*
Dallas	Bank of Texas, National Association	Chairman, CEO, President, Senior Controller
Dallas	Gateway National Bank	President
Dallas	Inwood National Bank of Dallas	President
Dallas	Northern Trust Bank of Texas, N.A.	President
Dallas	Sovereign Bank, National Association	*
Dallas	Texas Captial Bank, National Association	President
Dallas	TIB The Independent BankersBank	President, Chief Executive Officer
Edinburg	First National Bank	Chairman, President, Vice President, Cashier
El Paso	Bank of the West	Chairman
Fort Worth	Summit Bank, National Association	Chairman, President, Vice President, Cashier
Gainesville	GNB Financial, N.A.	President, Chief Executive Officer
Granbury	Community Bank	Chairman, President, Cashier
Henderson	Citizens National Bank	Cashier
Houston	Amegy Bank, National Association	President, Chief Executive Officer
Houston	American First National Bank	President
Houston	MetroBank, National Association	Chairman, President, Vice President, Cashier
Houston	Redstone Bank, N.A.	President
Houston	Republic National Bank	Chairman, President, CFO, Cashier
Houston	Texas First National Bank	President
Houston	Woodforest National Bank	Chairman, President, Vice President, Cashier
Jacksonville	Austin Bank, Texas National Association	Chairman, President, Vice President, Cashier
Kingwood	Main Street National Bank	Chief Executive Officer
Lake Worth	Worth National Bank	President
Laredo	Laredo National Bank, The	President, Vice President
Lubbock	Plainscapital Bank	Chairman, President
Lubbock	State National Bank	Chairman
Marble Falls	American Bank of Texas, N.A.	Chairman, Chief Executive Officer
McAllen	Inter National Bank	Chairman, President, Cashier
McAllen	Texas State Bank	Chairman, President, Cashier
Midland	Community National Bank	President
Midland	West Texas National Bank	President
Mineral Wells	City National Bank of Mineral Wells, The	**
Nacogdoches	Commercial Bank of Texas, N.A.	President
New Boston	Century Bank, National Association	Chairman, President, Vice President, Cashier
Odessa	Western National Bank	Chairman, President, Vice President, Cashier
Pasadena	Texas Citizens Bank, National Association	Chairman, President, Vice President, Cashier
Pharr	Lone Star National Bank	President, Vice President, Cashier
Plainview	HCSB, A State Banking Association	Chairman
Plano	Legacy Texas Bank	Chairman, Chief Executive Officer
San Angelo	San Angelo National Bank	**
San Antonio	Broadway National Bank	Chairman, President, Vice President, Cashier
San Antonio	Frost National Bank, The	President, Vice President, Cashier
San Antonio	Lone Star Capital Bank, National Association	Cashier
Somerset	Texas Community Bank, National Association	Chairman, President, Vice President, Cashier
Southlake	First Financial Bank, National Association	Chairman, President, Vice President, Cashier
Stephenville	First Financial Bank, N.A.	**
Temple	Extraco Banks, National Association	President
Victoria	First Victoria National Bank	Chairman, President, Vice President, Cashier
Weatherford	Weatherford National Bank	**

*No designation of authorized officer on file.

**Multi-bank holding company subsidiary (non-voting bank).

GROUP 3

Consists of all member banks with combined capital and surplus of \$3,500,000 and under.

Banks in this group elect one Class A Director.

LOUISIANA		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Benton	First National Bank of Benton	President
Mansfield	Progressive National Bank of DeSoto Parish	Chairman, President

NEW MEXICO		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Alamogordo	First National Bank in Alamogordo	Chairman, President, EVP, VP
Las Cruces	Bank of the Rio Grande, National Association	President
Lordsburg	Western Bank	President
Ruidoso	First National Bank of Ruidoso	**

TEXAS		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Albany	First National Bank of Albany/Breckenridge	Chairman, President, Vice President
Amherst	First National Bank of Amherst, The	President
Anahuac	Anahuac National Bank	President
Anderson	First National Bank of Anderson, The	Chairman, President, Vice President, Cashier
Anson	First National Bank of Anson, The	President, Vice President, Cashier
Aspermont	First National Bank of Aspermont, The	President, Vice President, Cashier
Baird	First National Bank of Baird, The	Chairman, President, Vice President, Cashier
Bedford	First National Bank of the Mid-Cities	**
Beeville	First National Bank of Beeville, The	Chairman, President, Vice President, Cashier
Bells	First National Bank of Bells/Savoy, The	President
Bellville	First National Bank of Bellville, The	President, Vice President, Cashier
Brady	Brady National Bank, The	President
Brady	Commercial National Bank of Brady, The	Chairman, President, Vice President, Cashier
Bronte	First National Bank in Bronte	President
Brookshire	Texas Premier Bank, National Association	President
Brownfield	First National Bank of Brownfield, The	Chairman, President, Vice President, Cashier
Brownwood	Citizens National Bank at Brownwood	President
Bryan	First National Bank of Bryan, The	Chairman, President, Vice President, Cashier
Byers	First National Bank of Byers, The	President
Cameron	Citizens National Bank	Chairman, President, Vice President, Cashier
Cameron	First National Bank in Cameron	Chairman, President, Vice President
Canadian	First National Bank of Canadian, The	President, Vice President, Cashier
Canton	First National Bank of Canton, The	Chairman, President, Vice President, Cashier
Carthage	Panola National Bank	President
Chillicothe	First National Bank of Chillicothe, The	President
Colorado City	City National Bank of Colorado City, The	Chairman, President, Vice President, Cashier
Colorado City	First National Bank of Colorado City	President
Comanche	Comanche National Bank, The	President
Cooper	First National Bank in Cooper, The	Vice President
Corsicana	City National Bank	President
Corsicana	Corsicana National Bank and Trust	President, Vice President, Cashier
Cotulla	Stockmens National Bank in Cotulla	Chairman, President, Vice President
Crockett	Citizens National Bank	Chairman, President, Vice President, Cashier
Crockett	First National Bank of Crockett	Chairman, President
Crosbyton	Citizens National Bank of Crosbyton	President, Vice President
Crowell	Crowell State Bank	Chairman, President, Vice President, Cashier
Daingerfield	National Bank of Daingerfield, The	President
Dalhart	First National Bank in Dalhart	President
Dallas	American Bank, National Association	President
Dallas	Preston National Bank	Chairman, President, Vice President

GROUP 3 — Continued

TEXAS — Continued		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Dawson	First Bank & Trust Company	Chairman, President, Vice President
DeSoto	Bank of DeSoto, National Association	Chairman, President, Vice President, Cashier
Detroit	Community National Bank	*
Dublin	Dublin National Bank, The	President
Dublin	First National Bank of Dublin	Chairman
Eagle Lake	First National Bank of Eagle Lake, The	President
Edgewood	First National Bank of Edgewood, The	Chairman, President, Vice President, Cashier
El Campo	Newfirst National Bank	President, Cashier
Eldorado	First National Bank of Eldorado, The	President, Vice President, Cashier
Emory	First National Bank of Emory, The	Vice President, Cashier
Evant	First National Bank of Evant, The	President, Vice President
Falfurrias	First National Bank in Falfurrias, The	President
Falls City	Falls City National Bank, The	Chairman, President, Vice President, Cashier
Floydada	First National Bank of Floydada, The	President
Fort Hood	Fort Hood National Bank	Chairman, President, Vice President, Cashier
Fort Stockton	First National Bank of Fort Stockton	Chairman, President, Cashier
Fort Worth	National Bank of Texas at Fort Worth, The	Chairman, President
Galveston	Hometown Bank, National Association	Chairman, President, Vice President, Cashier
Garland	Northeast National Bank	President
George West	First National Bank	Chairman, President, Vice President, Cashier
Gilmer	First National Bank of Gilmer, The	Chairman, President, Vice President, Cashier
Gilmer	Gilmer National Bank	President
Gladewater	Gladewater National Bank	Chairman, President, Vice President, Cashier
Goliad	First National Bank of Goliad, The	Vice President, Cashier
Graford	First National Bank, Graford	President
Graham	First National Bank in Graham	Chairman, President, Vice President, Cashier
Granbury	First National Bank of Granbury, The	Vice President, Cashier
Granger	Granger National Bank, The	Chairman, President, Vice President, Cashier
Groesbeck	First National Bank	Cashier
Groom	State National Bank of Groom, The	Chairman, President, Vice President, Cashier
Hamlin	Hamlin National Bank	Chairman, President, Vice President, Cashier
Haskell	Haskell National Bank	Chairman, President, Vice President
Hebbronville	First National Bank of Hebbronville, The	President
Hico	First National Bank of Hico, The	Vice President
Hillsboro	Citizens National Bank of Hillsboro, The	Chairman, President, Vice President, Cashier
Hondo	Community National Bank	President
Hondo	Hondo National Bank, The	Cashier
Jacksboro	First National Bank of Jacksboro, The	Chairman, President, Vice President, Cashier
Jacksboro	Jacksboro National Bank, The	Chairman, Vice President, Cashier
Jacksonville	Texas National Bank of Jacksonville	Chairman, President
Jasper	First National Bank of Jasper	President
Junction	First State Bank	President
Junction	Junction National Bank	President, Vice President, Cashier
Karnes City	Karnes County National Bank of Karnes City, The	Chairman, President, Vice President, Cashier
Kemp	First National Bank of Kemp, The	President
Kingsville	Kleberg First National Bank of Kingsville	Chairman, President, Vice President, Cashier
Kress	Kress National Bank	President
La Grange	Colorado Valley Bank	*
La Grange	National Bank & Trust	Chairman, President, Vice President, Cashier
La Coste	La Coste National Bank, The	Cashier
Lake Jackson	First National Bank of Lake Jackson	President
Lamesa	First National Bank of Lamesa, The	Chairman, President, Vice President, Cashier
Linden	First National Bank of Linden, The	Cashier
Lipan	First National Bank of Lipan, The	President
Llano	Llano National Bank	President
Lockhart	First-Lockhart National Bank	President
Marfa	Marfa National Bank, The	Chairman, President, Vice President, Cashier Assistant Cashier
Mason	Mason National Bank, The	President, Vice President
McGregor	First National Bank of McGregor, The	President, Vice President, Cashier
McLean	Bank of Commerce	President
Memphis	Memphis State Bank	**
Menard	First State Bank	Chairman
Menard	Menard National Bank, The	President
Mercedes	Texas National Bank	Chairman, President, Vice President
Mertzton	First National Bank of Mertzton, The	President, Cashier
Mineola	First National Bank of Mineola, The	Chairman, President

GROUP 3 — Continued

TEXAS — Continued

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Moody	First National Bank of Moody, The	President
Mount Pleasant	American National Bank of Mount Pleasant, The	President
Mount Vernon	First National Bank of Mount Vernon, The	President, Vice President
Muleshoe	First Bank of Muleshoe	President
Munday	First National Bank in Munday	**
Naples	Morris County National Bank	Chairman, President, Vice President, Cashier
Navasota	Bank of Navasota, National Association, The	President
Newcastle	Farmers National Bank of Newcastle	President, Vice President
Olney	First National Bank of Olney	**
Ore City	Security State Bank, National Association	**
Ozona	Ozona National Bank, The	President
Paducah	First National Bank, The	President
Palestine	East Texas National Bank of Palestine, The	President
Paris	Lamar National Bank	President
Paris	Liberty National Bank in Paris, The	Chairman, President, Vice President, Cashier
Pasadena	Texas Coastal Bank	Chairman, President, EVP, VP, Cashier
Perryton	Perryton National Bank, The	Chairman, President, Vice President, Cashier
Pleasanton	Atascosa National Bank	President, Vice President, Cashier
Princeton	Citizens State Bank	**
Quanah	First National Bank in Quanah	Chairman, President, Vice President, Cashier
Quanah	Texas Republic Bank, N.A.	President, Executive Vice President
Quitaque	First National Bank of Quitaque, The	President, Vice President, Cashier
Quitman	Bank Texas, National Association	President
Richwood	Brazos National Bank	Vice President, Cashier
Rockwall	Lakeside National Bank	President
Rotan	First National Bank	President
Round Mountain	Cattleman's National Bank	Chairman, President
Saint Jo	First National Bank of Saint Jo, The	President, Cashier
San Benito	First Community Bank, National Association	President
San Saba	City National Bank of San Saba, The	President, Vice President, Cashier
Santa Anna	Santa Anna National Bank, The	Vice President, Cashier
Santo	First National Bank of Santo, The	Cashier
Seymour	Farmers National Bank of Seymour, The	**
Seymour	First National Bank of Seymour, The	Chairman, President, Vice President, Cashier
Shiner	First National Bank of Shiner, The	Chairman, President, Vice President, Cashier
Snyder	Snyder National Bank	Chairman, President, EVP, Vice President
Sonora	First National Bank of Sonora, The	President, Cashier
South Padre Island	First National Bank of South Padre Island	Chairman
Spearman	First National Bank	President
Stanton	First National Bank of Stanton, The	President
Sterling City	First National Bank of Sterling City, The	President, Vice President
Tahoka	First National Bank of Tahoka, The	Chairman, President, Vice President, Cashier
Taylor	City National Bank of Taylor, The	Chairman, President, Vice President, Cashier
Teague	Citizens National Bank	President
Texarkana	Commercial National Bank of Texarkana	*
Texas City	Texas First Bank	Chairman, President
Throckmorton	First National Bank of Throckmorton, The	President, Vice President, Cashier
Tom Bean	First National Bank of Tom Bean, The	President
Trenton	First National Bank of Trenton, The	President
Trinity	First National Bank of Trinity, The	President, Vice President
Trinity	Lake Area National Bank	President, Vice President, Cashier
Uvalde	Uvalde National Bank	**
Valley Mills	First National Bank of Bosque County	Chairman, President, Vice President, Cashier
Weatherford	First National Bank of Weatherford	**
West	State National Bank in West, The	President
Whitney	First National Bank in Whitney	**
Wills Point	Citizens National Bank of Wills Point	President
Woodsboro	First National Bank of Woodsboro, The	Cashier
Yoakum	Yoakum National Bank, The	Chairman, President, Cashier
Zapata	Zapata National Bank	Chairman, President, Cashier

*No designation of authorized officer on file.

**Multi-bank holding company subsidiary (non-voting bank).

**Directors of the Federal Reserve Bank of Dallas
As of September 27, 2006**

Name	Occupation	Elected by Banks in Group	Class	Term Expires Dec. 31
Matthew T. Doyle	Vice Chairman/Chief Executive Officer, Texas First Bank, Texas City, Texas	3	A	2006
David S. Barnard	Chairman and Chief Executive Officer, The National Banks of Central Texas, Gatesville, Texas	2	A	2007
Richard W. Evans, Jr.	Chairman and Chief Executive Officer, Cullen/Frost Bankers, Inc., San Antonio, Texas	1	A	2008
Judy Ley Allen	Partner, Allen Investments, Houston, Texas	1	B	2006
Robert A. Estrada	Chairman, Estrada Hinojosa & Company, Inc., Dallas, Texas	3	B	2007
James B. Bexley	Associate Professor of Finance, Sam Houston State University, Huntsville, Texas	2	B	2008
Anthony R. Chase	Chairman and Chief Executive Officer, ChaseCom, L.P., Houston, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	2006
Ray L. Hunt	Chairman, President, and Chief Executive Officer, Hunt Consolidated, Inc., Dallas, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	2007
James T. Hackett	Chairman, President and Chief Executive Officer, Anadarko Petroleum Corporation, Houston, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	2008
