

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75265-5906

Notice 08-24
August 12, 2008

ELECTION OF DIRECTORS NOMINATION PROCEDURES

To All Member Banks in the Eleventh Federal Reserve District:

An election will be conducted under the provisions of Section 4 of the Federal Reserve Act for the positions held by the following directors of this Bank, whose terms expire December 31, 2008:

Class A Director —	Richard W. Evans, Jr. Chairman and Chief Executive Officer Cullen/Frost Bankers, Inc. San Antonio, Texas
Class B Director —	James B. Bexley Professor of Finance Sam Houston State University Huntsville, Texas

Mr. Evans, the Class A Director, was elected by banks in Group 1, consisting of banks with combined capital and surplus of \$15,000,000 and over. At the conclusion of his present term, Mr. Evans will have served two full three-year terms and is not eligible for reelection.

Mr. Bexley, the Class B Director, was elected by banks in Group 2, consisting of banks with combined capital and surplus of over \$3,500,000 but under \$15,000,000. At the conclusion of his present term, Mr. Bexley will have served one three-year term and is eligible for reelection.

The banks composing Groups 1 and 2 are listed on the following pages.

The group in which a member bank will be entitled to vote will be determined by its classification as of the date of this letter, even though its capital and surplus may subsequently change prior to the date of the election.

Except in the case of any member banks that are subsidiaries of the same bank holding company,* each bank in Group 1 is permitted to nominate one candidate for Class A Director, and each bank in Group 2 is permitted to nominate one candidate for Class B Director. When several banks are subsidiaries of a bank holding company, the nomination form is being sent only to the bank designated to participate in this election; therefore, banks in Groups 1 and 2 that will not participate in this election are being sent this notice, without forms, for their information. **The nominations must be made by resolution of the Board of Directors, certified to me and received in my office on or before September 12.** A form and return envelope for this purpose are enclosed. On September 24, a list of the candidates (indicating the nominating banks) and a preferential ballot will be mailed to each bank in the voting groups. The ballot must be cast within 15 days after receipt. The polls will open at 9 a.m. on October 8 and close at 2 p.m. on October 23. At that time, the ballot box will be opened at this Bank, 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 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 2 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.**

In order to be counted, the ballot must be executed by an officer authorized to cast the vote. Officers so authorized are listed on the following pages. The authority conferred on these officers continues until revoked; they need not be redesignated. Each member bank that has not designated an officer or officers for signing the ballot, or any bank that desires to change its designation, should do so by resolution of its Board of Directors and certify the designation to me **before** the polls close. A form for this purpose will be furnished upon request.

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

Sincerely,

A handwritten signature in black ink that reads "James T. Hackett". The signature is written in a cursive style with a large, prominent initial "J".

James T. Hackett
Chairman of the Board

Enclosures (2)

**Information Concerning Eligibility for
Class A Directorship of a Federal Reserve Bank**

Section 4 of the Federal Reserve Act, as amended by the Federal Reserve Reform Act of 1977, contains the following provisions: "Class A shall consist of three members, without discrimination on the basis of race, creed, color, sex, or national origin, who shall be chosen by and be representative of the stockholding banks." "No officer or director of a member bank shall be eligible to serve as a Class A director unless nominated and elected by banks that are members of the same group as the member bank of which he is an officer or director." Any person who is an officer or director of more than one member bank shall not be eligible for nomination as a Class A director except by banks in the same group as the bank having the largest aggregate resources of any of those of which such person is an officer or director." "No Senator or Representative in Congress shall be a member of the Board of Governors of the Federal Reserve System or an officer or a director of a Federal Reserve Bank."

The Board of Governors of the Federal Reserve System has expressed the opinion "...that, to be consistent with the spirit and underlying principles of the Federal Reserve Act, it is inappropriate, as a general rule, for officers and directors of Federal Reserve Banks and Branches to hold partisan political or public office in the service of the United States, or of any state, territory, county, district, political subdivision, or municipality thereof, or to act as members of political party committees."

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 A Director.

NEW MEXICO

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Artesia	The First National Bank of Artesia	Chairman, President, Vice President, Cashier

TEXAS

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Abilene	First Financial Bank, NA	Chairman, President, Vice President, Cashier
Amarillo	Amarillo National Bank	Chairman, President, Vice President, Cashier
Arlington	Worthington National Bank	Chairman, President, Vice President, Cashier
Beaumont	CommunityBank of Texas, NA	President, CEO, Cashier
Bellaire	Community National Bank	President
Bellaire	Tradition Bank	*
Bellville	The First National Bank of Bellville	President, Vice President, Cashier
Crockett	First Community Bank East Texas, NA	*
Dallas	Bank of Texas, NA	Chairman, President, CEO, Senior Controller
Dallas	Comerica Bank	*
Dallas	Inwood National Bank of Dallas	President
Dallas	Texas Capital Bank, NA	*
Dallas	TIB-The Independent BankersBank	President, CEO
Edinburg	First National Bank	Chairman, President, Vice President, Cashier
El Paso	Bank of the West	Chairman
Fort Worth	Southwest Bank	*
Granbury	Community Bank	Chairman, President, Cashier
Henderson	Citizens National Bank	Cashier
Houston	Amegy Bank, NA	President, CEO
Houston	American First National Bank	President
Houston	Encore Bank, NA	Chairman, President, Corporate Secretary
Houston	Golden Bank, NA	*
Houston	Green Bank, NA	Chairman, President
Houston	ICON Bank of Texas, NA	*
Houston	Metrobank, NA	Chairman, President, Vice President, Cashier
Houston	Post Oak Bank, NA	Chairman, President, Vice President, Cashier
Houston	Southwestern National Bank	President
Houston	Woodforest National Bank	Chairman, President, Vice President, Cashier

GROUP 1 — Continued

TEXAS — Continued

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Jacksboro	The First National Bank of Jacksboro.....	Chairman, President, Vice President, Cashier
Jacksonville	Austin Bank, Texas NA.....	Chairman, President, Vice President, Cashier
Kingsville	Kleberg First National Bank of Kingsville	Chairman, President, Vice President, Cashier
Lubbock	Lone Star State Bank of West Texas	President
Lubbock	PlainsCapital Bank	*
Marble Falls	American Bank of Texas, NA.....	Chairman, CEO
McAllen	Inter National Bank.....	Chairman, President, Cashier
Meridian	First Community Bank Central Texas NA	Chairman, Vice President, Cashier
Midland	Community National Bank.....	President
Midland	First National Bank of Midland	Chairman, President, CEO
Midland	West Texas National Bank.....	President
Mineral Wells	First Financial Bank, NA.....	*
Odessa	Western National Bank	Chairman, President, Vice President, Cashier
Pasadena	Texas Citizens Bank, NA.....	Chairman, President, Vice President, Cashier
Pharr	Lone Star National Bank	President, Vice President, Cashier
Plainview	HCSB, A State Banking Association.....	President
Plano	Legacy Texas Bank	Chairman, CEO, Vice President
Refugio	San Antonio National Bank	*
San Angelo	San Angelo National Bank	**
San Antonio	Broadway National Bank.....	Chairman, President, Vice President, Cashier
San Antonio	The Frost National Bank.....	President, Vice President, Cashier
San Antonio	Lone Star Capital Bank, NA.....	Chairman, President, CEO
Somerset	Texas Community Bank, NA.....	Chairman, President, Vice President, Cashier
Southlake	First Financial Bank, NA.....	**
Stephenville	First Financial Bank, NA.....	**
Temple	Extraco Banks, NA.....	President
Texarkana	Century Bank, NA.....	*
The Woodlands	Texas Community Bank, NA.....	President, Vice President, Cashier
Tomball	First Community Bank The Woodlands, NA	*
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).

**Information Concerning Eligibility for
Class B Directorship of a Federal Reserve Bank**

Section 4 of the Federal Reserve Act, as amended by the Federal Reserve Reform Act of 1977, contains the following provisions: "Class B shall consist of three members who shall represent the public and shall be elected without discrimination on the basis of race, creed, color, sex, or national origin, and with due but not exclusive consideration to the interests of agriculture, commerce, industry, services, labor, and consumers." "No director of Class B shall be an officer, director, or employee of any bank." "No Senator or Representative in Congress shall be a member of the Board of Governors of the Federal Reserve System or an officer or a director of a Federal Reserve Bank."

The Board of Governors of the Federal Reserve System has expressed the opinion "...that, to be consistent with the spirit and underlying principles of the Federal Reserve Act, it is inappropriate, as a general rule, for officers and directors of Federal Reserve Banks and Branches to hold partisan political or public office in the service of the United States, or of any state, territory, county, district, political subdivision, or municipality thereof, or to act as members of political party committees."

GROUP 2

Consists of all member banks with combined capital and surplus of over \$3,500,000 but under \$15,000,000

Banks in this group elect one Class B Director.

LOUISIANA

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Arcadia	First National Bank	President
Bossier City	Citizens National Bank, NA	President
Ruston	National Independent Trust Company	Chairman, President

NEW MEXICO

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Carlsbad	The Carlsbad National Bank.....	*
Portales	The James Polk Stone National Bank	President

TEXAS

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Abilene	Citizens Bank, NA	President
Alvin	First National Bank of Alvin	President, EVP
Alvin	Texas Advantage Community Bank, NA.....	President, CEO
Anahuac	Anahuac National Bank.....	President
Andrews	The National Bank of Andrews.....	President, Cashier
Austin	Business Bank of Texas, NA	President
Ballinger	Ballinger National Bank.....	President, EVP
Ballinger	The First National Bank of Ballinger.....	Chairman, President, VP
Bastrop	The First National Bank of Bastrop	Chairman, President, VP, Cashier
Big Spring	The State National Bank of Big Spring.....	Chairman, President, VP, Cashier
Blanco	The Blanco National Bank.....	President, VP, Cashier
Borger	First National Bank of Borger	**
Bowie	Legend Bank, NA	President
Breckenridge	Citizens National Bank of Breckenridge	**
Brenham	Bank of Brenham, NA	President
Brenham	The Brenham National Bank	Chairman, President, VP, Cashier
Burkburnett	First Bank	President
Burleson	First National Bank of Burleson.....	President
Canadian	First State Bank of Canadian, NA.....	**
Cleburne	First Financial Bank, NA.....	President, VP

GROUP 2 — Continued

TEXAS — Continued

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Coleman	First Coleman National Bank.....	Cashier
College Station	Brazos Valley Bank, NA.....	President
Comanche	The Comanche National Bank.....	President
Conroe	First Bank of Conroe, NA.....	President
Corpus Christi	American Bank, NA.....	President
Corsicana	Community National Bank and Trust of Texas.....	President, VP, Cashier
Dallas	One World Bank.....	President
Dallas	Professional Bank, NA.....	President
Dallas	T Bank, NA.....	Chairman, President, VP, Cashier
Dallas	Town North Bank, NA.....	Chairman, President, SVP, Cashier
Dallas	United Texas Bank.....	President
Decatur	North Texas Bank, NA.....	*
Eastland	First Financial Bank, NA.....	*
El Campo	Newfirst National Bank.....	President, Cashier
El Paso	First National Bank.....	*
El Paso	United Bank of El Paso Del Norte.....	Chairman, President, EVP, Cashier
Flower Mound	First Security Bank, NA.....	Chairman, President, VP, Cashier
Fort Worth	Fort Worth National Bank.....	*
Fort Worth	Trinity Bank, NA.....	Chairman, President
Fort Worth	Woodhaven National Bank.....	President, EVP
Freeport	Texas Gulf Bank.....	*
Friona	Friona State Bank, NA.....	**
Frisco	Texas Republic Bank, NA.....	*
Galveston	Moody National Bank.....	Chairman, President, EVP
Gatesville	National Bank.....	Chairman, President, VP, Cashier
Giddings	First National Bank of Giddings.....	CEO
Gonzales	American National Bank.....	President
Graham	Graham National Bank.....	**
Hereford	The First National Bank of Hereford.....	President
Highland Village	United Community Bank, NA.....	President
Houston	First Community Bank, NA.....	*
Houston	Houston Community Bank, NA.....	Chairman, Vice Chairman, President
Houston	Independence Bank, NA.....	*
Houston	Omnibank, NA.....	Chairman, President, VP, Cashier
Houston	The State Bank of Texas.....	Chairman
Houston	Unity National Bank of Houston.....	Chairman, Co-Chairman
Hughes Springs	The First National Bank of Hughes Springs.....	Chairman
Huntsville	First National Bank of Huntsville.....	Chairman, President, VP, Cashier
Iowa Park	State National Bank of Texas.....	Chairman, President, VP, Cashier
Irving	Independent Bank of Texas.....	President, CEO, CFP, Cashier
Jacksonville	Texas National Bank of Jacksonville.....	Chairman, President
Keller	American Bank, NA.....	*
Kerrville	Guadalupe National Bank.....	Chairman, President
Kilgore	Kilgore National Bank.....	President
Killeen	First National Bank Texas.....	Chairman, President, VP, Cashier
Lamesa	The Lamesa National Bank.....	Chairman, President, VP, Cashier
Liberty	The First Liberty National Bank.....	Chairman, President
Livingston	The First National Bank of Livingston.....	Chairman, President, VP, Cashier
Livingston	First State Bank.....	*
Lubbock	Lubbock National Bank.....	Chairman, President, EVP
Lubbock	Peoples Bank.....	Chairman, President, Cashier
McAllen	Border Capital Bank, NA.....	President
Mercedes	Texas National Bank.....	Chairman, President, VP
Mexia	Incommons Bank, NA.....	*
Mineral Wells	First State Bank of Mineral Wells.....	President
Monahans	First National Bank of Monahans.....	Chairman, President, CEO, CFO, VP, Cashier
Nacogdoches	Commercial Bank of Texas, NA.....	President
Pecos	Transpecos Bank.....	VP, Cashier
Pilot Point	Pointbank.....	President, Cashier
Plano	Fidelity Bank, NA.....	President
Port Lavaca	First National Bank in Port Lavaca.....	President
Quitman	Wood County National Bank.....	President
Ralls	Security Bank.....	Chairman, President, VP, Cashier
Richardson	Opportunity Bank, NA.....	*
San Angelo	Crockett National Bank.....	President
San Benito	First Community Bank, NA.....	President
Sanger	Sanger Bank.....	Chairman, President

GROUP 2 — Continued

TEXAS — Continued		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Seguin	First Commercial Bank, NA	President
Slaton	Citizens Bank	Chairman, President, EVP, SVP
South Padre Island	South Padre Bank, NA	President
Sugar Land	First Community Bank Fort Bend, NA	*
Sulphur Springs	The City National Bank of Sulphur Springs.....	President, VP, Cashier
Sweetwater	First Financial Bank, NA.....	President, EVP
Sweetwater	Texas National Bank.....	Chairman, President
Terrell	The American National Bank of Texas	Chairman, President, VP, Cashier
Texarkana	First National Bank.....	Chairman, President, VP, Cashier
Texas City	Texas First Bank.....	Chairman, President
Trenton	The First National Bank of Trenton	President
Universal City	Texstar National Bank	Chairman
Van Alstyne	Texas Star Bank	President
Vernon	The Waggoner National Bank of Vernon	President, VP
Waco	American Bank NA.....	Chairman, President, Cashier
Waco	Central National Bank	President, VP, Cashier
Waco	First National Bank of Central Texas	President, VP, Cashier
Waxahachie	Citizens National Bank of Texas	President
Wellington	Wellington State Bank	President
Wichita Falls	American National Bank.....	President
Wichita Falls	First National Bank.....	Chairman, President, Cashier
Winnsboro	The First National Bank of Winnsboro.....	Chairman, President, VP, 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
August 12, 2008

Name	Occupation	Elected by Banks in Group	Class	Term Expires Dec. 31
Joe Kim King	Chief Executive Officer, Brady National Bank Brady, Texas	2	A	2010
Richard W. Evans, Jr.....	Chairman and Chief Executive Officer, Cullen/Frost Bankers, Inc., San Antonio, Texas	1	A	2008
Pete Cook.....	Chief Executive Officer, First National Bank in Alamogordo, Alamogordo, New Mexico	3	A	2009
Robert A. Estrada	Chairman, Estrada Hinojosa & Company, Inc., Dallas, Texas	3	B	2010
James B. Bexley	Professor of Finance, Sam Houston State University, Huntsville, Texas	2	B	2008
Margaret H. Jordan	President and Chief Executive Officer, Dallas Medical Resource, Dallas, Texas	1	B	2009
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
Vacant	<i>Deputy Chairman</i>	Appointed by the Board of Governors of the Federal Reserve System	C	2009
Herb Kelleher	Founder and Chairman Emeritus, Southwest Airlines Company, Dallas, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	2010