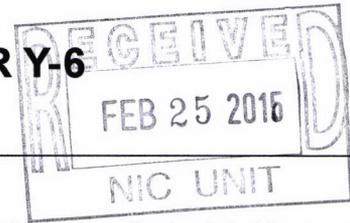


Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-6



Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844 (c)(1)(A)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11(a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)) and section 10(c)(2)(H) of the Home Owners' Loan Act. Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies and top-tier savings and loan holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: The *Annual Report of Holding Companies* must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report.

Date of Report (top-tier holding company's fiscal year-end):

December 31, 2015

Month / Day / Year

not applicable

Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

I, Gary Cox

Reporter's Name, Street, and Mailing Address

Name of the Holding Company Director and Official

Texas Bancorp, Inc.

President

Legal Title of Holding Company

Title of the Holding Company Director and Official

P.O. Box 3186

attest that the *Annual Report of Holding Companies* (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

(Mailing Address of the Holding Company) Street / P.O. Box

San Angelo TX 76902

City State Zip Code

2201 Sherwood Way, San Angelo, TX, 76901

Physical Location (if different from mailing address)

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Person to whom questions about this report should be directed:

Mark Stevenson Controller

Name Title

325-944-3721-7544

Area Code / Phone Number / Extension

325-942-7017

Area Code / FAX Number

marks@txbank.com

E-mail Address

txbank.com

Address (URL) for the Holding Company's web page

Signature of Holding Company Director and Official

02/19/2016

Date of Signature

For holding companies not registered with the SEC—

Indicate status of Annual Report to Shareholders:

- is included with the FR Y-6 report
- will be sent under separate cover
- is not prepared

For Federal Reserve Bank Use Only

RSSD ID 2472973
C.I.

Does the reporter request confidential treatment for any portion of this submission?

Yes Please identify the report items to which this request applies:

- In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.
- The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

No

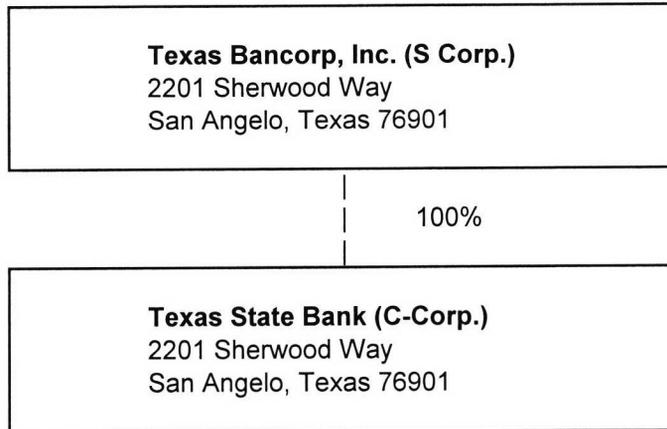
Form FR Y - 6

Texas Bancorp, Inc.
San Angelo, Texas
Fiscal Year Ending December 31, 2015

Report Item

1. The bank holding company prepares an annual report for its stockholders and is not registered with the SEC.

2.a. Organizational Chart



Legal Entity Identifier: n/a

2.b. Domestic branch listing provided to the Federal Reserve Bank.

Results: A list of branches for your depository institution: TEXAS STATE BANK (ID_RSSD: 748964). This depository institution is held by TEXAS BANCORP, INC. (2472973) of SAN ANGELO, TX. The data are as of 12/31/2015. Data reflects information that was received and processed through 01/07/2016.

Reconciliation and Verification Steps

1. In the Data Action column of each branch row, enter one or more of the actions specified below.
2. If required, enter the date in the Effective Date column.

Actions

OK: If the branch information is correct, enter 'OK' in the Data Action column.
Change: If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the Data Action column and the date when this information first became valid in the Effective Date column.
Close: If a branch listed was sold or closed, enter 'Close' in the Data Action column and the sale or closure date in the Effective Date column.
Delete: If a branch listed was never owned by this depository institution, enter 'Delete' in the Data Action column.
Add: If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the Data Action column and the opening or acquisition date in the Effective Date column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

Submission Procedure

When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information. If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:

To satisfy the FR Y-10 reporting requirements, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a Data Action of Change, Close, Delete, or Add. The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - <https://y10online.federalreserve.gov>.

* FDIC UNINUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

Data Action	Effective Date	Branch Service Type	Branch ID_RSSD*	Popular Name	Street Address	City	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	748964	TEXAS STATE BANK	2201 SHERWOOD WAY	SAN ANGELO TX	TX	76901-30	TOM GREEN	UNITED STATES	12569		0 TEXAS STATE BANK	748964	
OK		Limited Service	3960776	CHADBOURNE STREET BRANCH	1815 NORTH CHADBOURNE STREET	SAN ANGELO TX	TX	76903-38	TOM GREEN	UNITED STATES	493972		3 TEXAS STATE BANK	748964	
OK		Limited Service	2850115	COLLEGE HILLS BRANCH	4206 COLLEGE HILLS BLVD	SAN ANGELO TX	TX	76904	TOM GREEN	UNITED STATES	246305		2 TEXAS STATE BANK	748964	
OK		Limited Service	933667	MOTOR BANK BRANCH	2101 SHERWOOD WAY	SAN ANGELO TX	TX	76901	TOM GREEN	UNITED STATES	246304		1 TEXAS STATE BANK	748964	

Form FR Y-6
Texas BanCorp, In.
San Angelo, Texas
Fiscal Year Ending December 31, 2015

Report Item 3: Shareholders

(1)(a) (1)(b) (1)(c) (2)(a) (2)(b) (2)(c)

Current Shareholders with ownership, control or holdings of 5% or more of the power to vote as of December 31, 2015		
(1)(a) Name / City, State	(1)(b) Country of Citizenship	(1)(c) Number and Percentage of each class of voting securities
J. Mark McLaughlin San Angelo, Texas 76904	USA	14,069 shares - 11.29% common stock
Brian Thomas McLaughlin Midland, Texas 79705	USA	9,910 shares - 7.96% common stock
J. Matthew McLaughlin Fort Worth, Texas 76107	USA	12,532 shares - 10.06% common stock
X Laure McLaughlin Austin, Texas 78731	USA	9,933 shares - 7.97% common stock
X Evelyn McLaughlin Davies Lubbock, Texas 79416	USA	8,820 shares - 7.08% common stock
Sara Millspaugh Ingram San Angelo, Texas 76903	USA	9,116 shares - 7.32% common stock
X Jean McLaughlin Kahle Fort Worth, Texas 76107	USA	7,276 shares - 5.84% common stock

Shareholders not listed in Item 3(1)(a) through Item 3(1)(c) that had ownership, control or holdings of 5% or more of the power to vote during the fiscal year ending December 31, 2015.		
(1)(a) Name / Address	(1)(b) Country of Citizenship	(1)(c) Number and Percentage of each class of voting securities
NONE		

Report Item 4: "Officers
(1) (2) (3)(a)(b)(c) and (4)(a)(b)(c)

Texas Bancorp, Inc.
San Angelo, Texas
Fiscal Year Ending December 31, 2015

Form FR Y-6

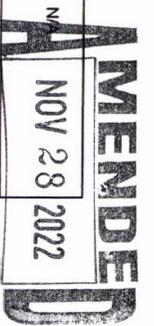
(1) Name City, State	(2) Principal Occupation	(3)(a) Title & Position w/ Texas Bancorp	(3)(b) Title & Position w/ Texas State Bank	(3)(c) Title & Position w/ Other Business / Name of Business	(4)(a) Percentage of voting shares in Texas Bancorp	(4)(b) Percentage of voting shares in Texas State Bank	(4)(c) Names of other companies and percentage of voting shares (including Partnerships if > 25%)
Albert, Roger San Angelo, TX 76901	Road Building Construction	Director	n/a	Chief Financial Officer Reece Albert Construction	0.67%	0.67%	Reece Albert, Inc. - 100.00% CSA Materials, Inc. - < 25.00%
Kerry Brulon Christoval, TX 76935	Trailer Manufacturing	Director	n/a	Partner/Brulon Easy Pull Trailer Sales Partner / KZ, Inc.	0.00%	0.00%	Easy Pull Trailer Sales - 70.00% KZ, Inc. - 100.00%
Cox, Gary D. San Angelo, TX 76904	n/a	Director/President	CEO & President (Texas State Bank)	N/A	1.08%	1.08%	Darwin Cox Testamentary Trust - 33.33%
Ingram, Sara Millspaugh San Angelo, TX 76904	Real Estate Adjuster Ranching	Director	n/a	Owner/Millspaugh Operations Owner/Millspaugh Ranch Co.	7.32%	7.32%	Millspaugh Ranch - 33.33% Millspaugh Ranch Co. Partnership - 33.33% Millspaugh Ranching LLC - 33.33% Crockett County Three Sisters - 33.33%
Stan Joynton San Angelo, TX 76904	Attorney	Director	n/a	Partner / Shannon, Porter, Johnson, L.L.P.	0.00%	0.00%	Shannon Porter & Johnson - 33.33%
McLaughlin, Brian Midland, TX 79702	Attorney	Director	n/a	Double M Ranch Co. Ltd. Double M Ranch Management, Ltd.	7.96%	7.96%	Double M Ranch, Ltd. - 30.73%
McLaughlin, J. Mark San Angelo, TX 76901	Attorney	Director & Chairman of Board	n/a	Partner/ Double M Ranch, Ltd.	11.29%	11.29%	Double M Ranch, Ltd. - 10.00% Perth Company - 100% McLaughlin Partnership - 25% McLaughlin Resources - 25%
McLaughlin, J. Matthew Fort Worth, TX 76107	Petroleum Consultant	Stockholder	n/a	Double M Ranch Co. Ltd. Double M Ranch Management, Ltd.	10.06%	10.06%	Double M Ranch Co. Ltd. - 30.90% Double M Ranch Management, Ltd. - 26.00%
May, Brian San Angelo, TX 76905	Professor	Director	n/a	President Angelo State University	0.00%	0.00%	N/A
Jones, Vance San Angelo, TX 76904	n/a	n/a	Exec. Vice President Texas State Bank	N/A	0.00%	0.00%	N/A
Harrison, David E. San Angelo, TX 76902	n/a	Vice President	Exec. Vice President Texas State Bank	N/A	0.00%	0.00%	N/A
Payne, Joe San Angelo, TX 76904	n/a	n/a	Exec. VP/Trust Officer Texas State Bank	N/A	0.00%	0.00%	N/A
Hoelscher, Ann San Angelo, TX 76901	n/a	Sec./Treas.	Senior VP / Cashier Texas State Bank	N/A	0.67%	0.67%	N/A

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Report Item 4: Insiders
 (1) (2) (3)(a)(b)(c) and (4)(a)(b)(c)

Texas Bancorp, Inc.
San Angelo, Texas
Fiscal Year Ending December 31, 2015

Form FR Y-6



Clark, Libby San Angelo, TX 76901	n/a	n/a	Senior VP Comm. Loans Texas State Bank	N/A	0.00%	0.00%	N/A
Braden, Brandon San Angelo, TX 76901	n/a	n/a	Senior VP Agric. Loans Texas State Bank	N/A	0.00%	0.00%	N/A
McLaughlin, Laure Austin, TX 78731	Retired (Texas State Comptroller's Office)	Stockholder	n/a	Partner / Double M Ranch Co. Ltd.	7.97%	7.97%	Double M Ranch Co. Ltd. - 30.73%
Davies Evelyn McLaughlin Lubbock, TX 79416	Retired	Stockholder	n/a	Partner / McLaughlin Resources	7.08%	7.08%	McLaughlin Resources - 27.29%
Kahle, Jean McLaughlin Fort Worth, TX 76107	Deceased	Stockholder	n/a	Partner / McLaughlin Resources	5.84%	5.84%	McLaughlin Resources - ~27.29%

Texas State Bank
San Angelo, TX

Annual Disclosure Statement

as of December 31, 2015

jack henry
& ASSOCIATES INC.

BALANCE SHEET

	December 31st	
	2015	2014
	(Dollar Amounts in Thousands)	
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin	12,156	5,697
Interest-bearing balances	17,626	44,117
Securities:		
Held-to-maturity securities	0	0
Available-for-sale securities	90,321	74,527
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold	0	0
Securities purchased under agreements to resell	0	0
Loans and lease financing receivables:		
Loans and leases held for sale	0	0
Loans and leases, net of unearned income	125,701	123,616
LESS: Allowance for loan and lease losses	1,186	1,009
Loans and leases, net of unearned income and allowance	124,515	122,607
Trading assets	0	0
Premises and fixed assets (including capitalized leases)	5,042	5,182
Other real estate owned	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0
Direct and indirect investments in real estate ventures	0	0
Intangible assets:		
Goodwill	0	0
Other intangible assets	0	0
Other assets	8,420	7,515
Total assets	258,080	259,645
LIABILITIES		
Deposits:		
In domestic offices	225,265	229,211
Noninterest-bearing	74,695	81,312
Interest-bearing	150,570	147,899
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased	0	0
Securities sold under agreements to repurchase	0	0
Trading liabilities	0	0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	3,012	2,247
Subordinated notes and debentures	0	0
Other liabilities	721	671
Total liabilities	228,998	232,129
EQUITY CAPITAL		
Bank Equity Capital		
Perpetual preferred stock and related surplus	0	0
Common stock	1,000	1,000
Surplus (exclude all surplus related to preferred stock)	9,500	9,500
Retained earnings	17,304	15,773
Accumulated other comprehensive income	1,278	1,243
Other equity capital components	0	0
Total bank equity capital	29,082	27,516
Noncontrolling (minority) interests in consolidated subsidiaries	0	0
Total equity capital	29,082	27,516
Total liabilities and equity capital	258,080	259,645

PAST DUE AND NONACCRUAL LOANS, LEASES, AND OTHER ASSETS

December 31st
2015 2014
(Dollar Amounts in Thousands)

Past due 30 through 89 days and still accruing

Loans secured by real estate:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Secured by farmland	0	0
Secured by 1-4 family residential properties:		
Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	0	0
Closed-end loans secured by 1-4 family residential properties:		
Secured by first liens	0	201
Secured by junior liens	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	57	0
Loans secured by other nonfarm nonresidential properties	0	0
Loans to depository institutions and acceptances of other banks	0	0
Commercial and industrial loans	0	0
Loans to individuals for household, family, and other personal expenditures:		
Credit cards	0	0
Automobile loans	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans)	4	8
Loans to foreign governments and official institutions	0	0
All other loans	0	0
Lease financing receivables	0	0
Debt securities and other assets (exclude other real estate owned and other repossessed assets)	0	0
Loans and leases reported above that are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC	0	0
Guaranteed portion of loans and leases, excluding rebooked "GNMA loans"	0	0
Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase	0	0
Loans and leases reported above that are covered by loss-sharing agreements with the FDIC:		
Loans secured by real estate:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Secured by farmland	0	0
Secured by 1-4 family residential properties:		
Revolving, open-end secured by 1-4 family residential properties and extended under lines of credit	0	0
Closed-end loans secured by 1-4 family residential properties:		
Secured by first liens	0	0
Secured by junior liens	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	0	0
Loans secured by other nonfarm nonresidential properties	0	0
Commercial and industrial loans	0	0

PAST DUE AND NONACCRUAL LOANS, LEASES, AND OTHER ASSETS

December 31st
2015 2014
(Dollar Amounts in Thousands)

Past due 30 through 89 days and still accruing - Continued

Loans to individuals for household, family, and other personal expenditures:		
Credit cards	0	0
Automobile loans	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans)	0	0
All other loans and leases	0	0
Loans to depository institutions and acceptances of other banks	0	0
Loans to foreign governments and official institutions	0	0
Other loans	0	0
Loans to finance agricultural production and other loans to farmers	N/A	N/A
Lease financing receivables	0	0
Portion of covered loans and leases included above that is protected by FDIC loss-sharing agreements	0	0

Memoranda

Loans restructured in troubled debt restructurings included above:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Loans secured by 1-4 family residential properties	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	0	0
Loans secured by other nonfarm nonresidential properties	0	0
Commercial and industrial loans	0	0
To U.S. addressees (domicile)	N/A	N/A
To non-U.S. addressees (domicile)	N/A	N/A
All other loans (include loans to individuals for household, family, and other personal expenditures)	0	0
Loans to finance commercial real estate, construction, and land development activities (not secured by real estate)	0	0
Loans secured by real estate to non-U.S. addressees (domicile)	N/A	N/A
Loans to and acceptances of foreign banks	N/A	N/A
Commercial and industrial loans to non-U.S. addressees (domicile)	N/A	N/A
Leases to individuals for household, family, and other personal expenditures	N/A	N/A
Loans to finance agricultural production and other loans to farmers	N/A	N/A
Loans and leases held for sale	0	0
Loans measured at fair value:		
Fair value	0	0
Unpaid principal balance	0	0
Derivative contracts:		
Fair value of amounts carried as assets	N/A	N/A
Purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3):		
Outstanding balance	0	0
Amount included in Schedule RC-N, items 1 through 7, above	0	0

PAST DUE AND NONACCRUAL LOANS, LEASES, AND OTHER ASSETS

December 31st
2015 2014
(Dollar Amounts in Thousands)

Past due 90 days or more and still accruing

Loans secured by real estate:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Secured by farmland	0	0
Secured by 1-4 family residential properties:		
Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	0	0
Closed-end loans secured by 1-4 family residential properties:		
Secured by first liens	0	0
Secured by junior liens	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	0	148
Loans secured by other nonfarm nonresidential properties	0	0
Loans to depository institutions and acceptances of other banks	0	0
Commercial and industrial loans	0	0
Loans to individuals for household, family, and other personal expenditures:		
Credit cards	0	0
Automobile loans	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans)	0	0
Loans to foreign governments and official institutions	0	0
All other loans	0	0
Lease financing receivables	0	0
Debt securities and other assets (exclude other real estate owned and other repossessed assets)	0	0
Loans and leases reported above that are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC		
Guaranteed portion of loans and leases, excluding rebooked "GNMA loans"	0	0
Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase	0	0
Loans and leases reported above that are covered by loss-sharing agreements with the FDIC:		
Loans secured by real estate:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Secured by farmland	0	0
Secured by 1-4 family residential properties:		
Revolving, open-end secured by 1-4 family residential properties and extended under lines of credit	0	0
Closed-end loans secured by 1-4 family residential properties:		
Secured by first liens	0	0
Secured by junior liens	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	0	0
Loans secured by other nonfarm nonresidential properties	0	0
Commercial and industrial loans	0	0

PAST DUE AND NONACCRUAL LOANS, LEASES, AND OTHER ASSETS

December 31st
2015 2014
(Dollar Amounts in Thousands)

Past due 90 days or more and still accruing - Continued

Loans to individuals for household, family, and other personal expenditures:		
Credit cards	0	0
Automobile loans	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans)	0	0
All other loans and leases	0	0
Loans to depository institutions and acceptances of other banks	0	0
Loans to foreign governments and official institutions	0	0
Other loans	0	0
Loans to finance agricultural production and other loans to farmers	N/A	N/A
Lease financing receivables	0	0
Portion of covered loans and leases included above that is protected by FDIC loss-sharing agreements	0	0

Memoranda

Loans restructured in troubled debt restructurings included above:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Loans secured by 1-4 family residential properties	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	0	0
Loans secured by other nonfarm nonresidential properties	0	0
Commercial and industrial loans	0	0
To U.S. addressees (domicile)	N/A	N/A
To non-U.S. addressees (domicile)	N/A	N/A
All other loans (include loans to individuals for household, family, and other personal expenditures)	0	0
Loans to finance commercial real estate, construction, and land development activities (not secured by real estate)	0	0
Loans secured by real estate to non-U.S. addressees (domicile)	N/A	N/A
Loans to and acceptances of foreign banks	N/A	N/A
Commercial and industrial loans to non-U.S. addressees (domicile)	N/A	N/A
Leases to individuals for household, family, and other personal expenditures	N/A	N/A
Loans to finance agricultural production and other loans to farmers	N/A	N/A
Loans and leases held for sale	0	0
Loans measured at fair value:		
Fair value	0	0
Unpaid principal balance	0	0
Derivative contracts:		
Fair value of amounts carried as assets	N/A	N/A
Purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3):		
Outstanding balance	0	0
Amount included in Schedule RC-N, items 1 through 7, above	0	0

PAST DUE AND NONACCRUAL LOANS, LEASES, AND OTHER ASSETS

December 31st
2015 2014
(Dollar Amounts in Thousands)

Nonaccrual

Loans secured by real estate:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Secured by farmland	0	0
Secured by 1-4 family residential properties:		
Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	0	0
Closed-end loans secured by 1-4 family residential properties:		
Secured by first liens	0	0
Secured by junior liens	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	0	0
Loans secured by other nonfarm nonresidential properties	0	0
Loans to depository institutions and acceptances of other banks	0	0
Commercial and industrial loans	0	39
Loans to individuals for household, family, and other personal expenditures:		
Credit cards	0	0
Automobile loans	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans)	0	0
Loans to foreign governments and official institutions	0	0
All other loans	0	0
Lease financing receivables	0	0
Debt securities and other assets (exclude other real estate owned and other repossessed assets)	0	0
Loans and leases reported above that are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC	0	0
Guaranteed portion of loans and leases, excluding rebooked "GNMA loans"	0	0
Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase	0	0
Loans and leases reported above that are covered by loss-sharing agreements with the FDIC:		
Loans secured by real estate:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Secured by farmland	0	0
Secured by 1-4 family residential properties:		
Revolving, open-end secured by 1-4 family residential properties and extended under lines of credit	0	0
Closed-end loans secured by 1-4 family residential properties:		
Secured by first liens	0	0
Secured by junior liens	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	0	0
Loans secured by other nonfarm nonresidential properties	0	0
Commercial and industrial loans	0	0

PAST DUE AND NONACCRUAL LOANS, LEASES, AND OTHER ASSETS

December 31st
2015 2014
(Dollar Amounts in Thousands)

Nonaccrual - Continued

Loans to individuals for household, family, and other personal expenditures:		
Credit cards	0	0
Automobile loans	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans)	0	0
All other loans and leases	0	0
Loans to depository institutions and acceptances of other banks	0	0
Loans to foreign governments and official institutions	0	0
Other loans	0	0
Loans to finance agricultural production and other loans to farmers	N/A	N/A
Lease financing receivables	0	0
Portion of covered loans and leases included above that is protected by FDIC loss-sharing agreements	0	0

Memoranda

Loans restructured in troubled debt restructurings included above:		
Construction, land development, and other land loans:		
1-4 family residential construction loans	0	0
Other construction loans and all land development and other land loans	0	0
Loans secured by 1-4 family residential properties	0	0
Secured by multifamily (5 or more) residential properties	0	0
Secured by nonfarm nonresidential properties:		
Loans secured by owner-occupied nonfarm nonresidential properties	0	0
Loans secured by other nonfarm nonresidential properties	0	0
Commercial and industrial loans	0	0
To U.S. addressees (domicile)	N/A	N/A
To non-U.S. addressees (domicile)	N/A	N/A
All other loans (include loans to individuals for household, family, and other personal expenditures)	0	0
Loans to finance commercial real estate, construction, and land development activities (not secured by real estate)	0	0
Loans secured by real estate to non-U.S. addressees (domicile)	N/A	N/A
Loans to and acceptances of foreign banks	N/A	N/A
Commercial and industrial loans to non-U.S. addressees (domicile)	N/A	N/A
Leases to individuals for household, family, and other personal expenditures	N/A	N/A
Loans to finance agricultural production and other loans to farmers	N/A	N/A
Loans and leases held for sale	0	0
Loans measured at fair value:		
Fair value	0	0
Unpaid principal balance	0	0
Additions to nonaccrual assets during the quarter	0	0
Nonaccrual assets sold during the quarter	0	0
Purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3):		
Outstanding balance	0	0
Amount included in Schedule RC-N, items 1 through 7, above	0	0

INCOME STATEMENT

December 31st

2015 2014

(Dollar Amounts in Thousands)

Interest income:		
Interest and fee income on loans:		
Loans secured by real estate:		
Loans secured by 1-4 family residential properties	1,820	1,882
All other loans secured by real estate	2,780	2,957
Commercial and industrial loans	969	714
Loans to individuals for household, family, & other personal expenditures:		
Credit cards	0	0
Other (includes revolving credit plans other than credit cards, automobile loans, and other consumer loans)	171	198
Loans to foreign governments and other official institutions	0	0
All other loans	97	101
Total interest and fee income on loans	5,837	5,852
Income from lease financing receivables	0	0
Interest income on balances due from depository institutions	181	188
Interest and dividend income on securities:		
U.S. Treasury securities and U.S. Government agency obligations	213	58
Mortgage-backed securities	230	296
All other securities	1,626	1,442
Interest income from trading assets	0	0
Interest income on federal funds sold and securities purchased under agreements to resell	0	0
Other interest income	0	0
Total interest income	8,087	7,836
Interest expense:		
Interest on deposits:		
Transaction accounts (interest-bearing demand deposits, NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	35	28
Nontransaction accounts:		
Savings deposits (includes MMDAs)	53	53
Time deposits of \$100,000 or more	24	28
Time deposits of less than \$100,000	37	40
Expense of federal funds purchased and securities sold under agreements to repurchase	0	0
Interest on trading liabilities and other borrowed money	73	45
Interest on subordinated notes and debentures	0	0
Total interest expense	222	194
Net interest income	7,865	7,642
Provision for loan and lease losses	191	156
Noninterest income:		
Income from fiduciary activities	1,008	978
Service charges on deposit accounts	959	932
Trading revenue	0	0
Fees and commissions from securities brokerage	0	0
Investment banking, advisory, and underwriting fees and commissions	0	0
Fees and commissions from annuity sales	0	0
Underwriting income from insurance and reinsurance activities	0	0
Income from other insurance activities	0	0
Venture capital revenue	0	0
Net servicing fees	0	0
Net securitization income	0	0
Net gains (losses) on sales of loans and leases	0	0
Net gains (losses) on sales of other real estate owned	0	0
Net gains (losses) on sales of other assets (excluding securities)	-50	-1
Other noninterest income	282	289
Total noninterest income	2,199	2,198

INCOME STATEMENT - Continued

	December 31st	
	2015	2014
	(Dollar Amounts in Thousands)	
Realized gains (losses) on held-to-maturity securities	0	0
Realized gains (losses) on available-for-sale securities	0	0
Noninterest expense:		
Salaries and employee benefits	3,992	3,820
Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	646	659
Goodwill impairment losses	0	0
Amortization expense and impairment losses for other intangible assets	0	0
Other noninterest expense	2,147	2,067
Total noninterest expense	6,785	6,546
Income (loss) before income taxes & extraordinary items & other adjustments	3,088	3,138
Applicable income taxes	0	0
Income (loss) before extraordinary items and other adjustments	3,088	3,138
Extraordinary items and other adjustments, net of income taxes	0	0
Net income (loss) attributable to bank and noncontrolling (minority) interests	3,088	3,138
LESS: Net income (loss) attributable to noncontrolling (minority) interests	0	0
Net income (loss) attributable to bank	3,088	3,138
Memoranda		
Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after 8/7/86, that is not deductible for federal income tax purposes	0	0
Income from the sale and servicing of mutual funds and annuities	N/A	N/A
Income on tax-exempt loans & leases to states & political subdivisions in U.S.	0	0
Income on tax-exempt securities issued by states & political subdivisions in U.S.	1,248	1,035
Number of full-time equivalent employees at end of current period	66	65
Interest and fee income on loans to finance agricultural production and other loans to farmers	N/A	N/A
Trading revenue (from cash instruments and derivative instruments):		
Interest rate exposures	N/A	N/A
Foreign exchange exposures	N/A	N/A
Equity security and index exposures	N/A	N/A
Commodity and other exposures	N/A	N/A
Credit exposures	N/A	N/A
Impact on trading revenue of changes in the creditworthiness of the bank's derivatives counterparties on the bank's derivative assets	N/A	N/A
Impact on trading revenue of changes in the creditworthiness of the bank on the bank's derivative liabilities	N/A	N/A
Net gains (losses) recognized in earnings on credit derivatives that economically hedge credit exposures held outside the trading account:		
Net gains (losses) on credit derivatives held for trading	0	0
Net gains (losses) on credit derivatives held for purposes other than trading	0	0
Credit losses on derivatives	N/A	N/A
Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?	Yes	Yes
Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties	N/A	N/A

INCOME STATEMENT - Continued

December 31st
2015 2014
(Dollar Amounts in Thousands)

Net gains (losses recognized in earnings on assets and liabilities that are reported at fair value under a fair value option:		
Net gains (losses) on assets	N/A	N/A
Estimated net gains (losses) on loans attributable to changes in instrument-specific credit risk	N/A	N/A
Net gains (losses) on liabilities	N/A	N/A
Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk	N/A	N/A
Other-than-temporary impairment losses on held-to-maturity and available-for-sale debt securities:		
Total other-than-temporary impairment losses	0	0
Portion of losses recognized in other comprehensive income (before income taxes)	0	0
Net impairment losses recognized in earnings (included in Schedule RI, items 6.a and 6.b) (Memorandum item 14.a minus item 14.b)	0	0

CHANGES IN BANK EQUITY CAPITAL

Total bank equity capital most recently reported for the end of previous calendar year, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	27,516	25,293
Cumulative effect of changes in accounting principles and corrections of material accounting errors	0	-2
Balance end of previous calendar year as restated	27,516	25,291
Net income (loss) attributable to bank	3,088	3,138
Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions)	0	0
Treasury stock transactions, net	0	0
Changes incident to business combinations, net	0	0
LESS: Cash dividends declared on preferred stock	0	0
LESS: Cash dividends declared on common stock	1,558	1,613
Other comprehensive income	36	700
Other transactions with stockholders (including a parent holding company)	0	0
Total bank equity capital end of current period	29,082	27,516

CHANGES IN ALLOWANCE FOR LOAN AND LEASE LOSSES

Balance most recently reported for the end of previous year, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	1,009	861
Recoveries	30	28
LESS: Charge-offs	44	36
LESS: Write-downs arising from transfers of loans to a held-for-sale account	0	0
Provision for loan and lease losses	191	156
Adjustments	0	0
Balance end of current period	1,186	1,009

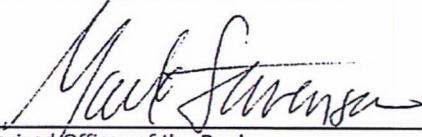
FINANCIAL RATIOS

	<u>December 31st</u>	
	<u>2015</u>	<u>2014</u>
<u>Earnings and Profitability</u>		
Net Interest Margin / Average Assets	3.06	3.06
<i>Net interest margin is an indication of the profitability of a bank's investments.</i>		
Overhead Expense / Average Assets	2.64	2.62
<i>Overhead expenses are the fixed operating costs in a bank, and include salaries and benefits, leases of building and equipment, and other related expenses.</i>		
Return on Average Assets (R.O.A.)	1.20	1.26
<i>R.O.A. is a measure of return on the bank's assets, indicating how effectively they are employed.</i>		
Return on Average Bank Equity (R.O.E.)	10.78	11.86
<i>R.O.E. is a measure of how well bank equity capital is being utilized, indicating the return of the shareholder's investment in the bank.</i>		
<u>Loan and Lease Analysis</u>		
Net Charge-Offs / Average Loans	0.01	0.01
<i>Net charge-offs measure the amount of loans charged off as bad debt, less recoveries collected, giving an indication of past loan quality.</i>		
Earnings Coverage of Net Charge-Offs (X)	234.21	411.75
<i>Measures the bank's ability to absorb potential losses from nonperforming loans.</i>		
Loan Loss Reserve / Total Loans	0.94	0.82
<i>Loan loss reserves represent the amount thought to be adequate to cover estimated losses in the loan portfolio.</i>		
Nonperforming Loans / Gross Loans	0.00	0.15
<i>The percent of the bank's loans which are past due 90 days or more or are not accruing interest according to the original terms of the borrower's loan agreement.</i>		
<u>Liquidity</u>		
Total Loans / Total Deposits	55.80	53.93
<i>Measures a bank's application of interest-earning deposit liabilities to fund loan growth.</i>		
Time Deposits of more than \$250,000 / Total Deposits	1.07	1.22
<i>Larger deposits are typically more costly, and amounts exceeding \$250,000 per account are not insured by the FDIC.</i>		
<u>Capital Adequacy</u>		
Leverage Ratio	10.80	10.07
<i>To be considered Well-Capitalized or Adequately Capitalized by the regulators, a bank must have a Tier 1 Capital to Total Assets ratio of greater than or equal to 5.0% or 4.0%, respectively.</i>		
Risk-Based Capital Ratio	20.58	20.85
<i>An indicator of a bank's financial strength, banks are expected to meet a minimum Total Risk-Based Capital ratio of 8.0%.</i>		

Texas State Bank
San Angelo, TX

This disclosure statement has been produced by Jack Henry & Associates, Inc. The financial information appearing in this statement was obtained from Federal Financial Institution Examination Council (FFIEC) Reports of Condition and Income submitted by all FDIC-Insured depository institutions. All information contained herein was obtained from sources deemed reliable; however, no guarantee is given as to the accuracy of the data or the calculations derived therefrom. This statement has not been reviewed, or confirmed for accuracy or relevance, by the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or the Federal Reserve Board.

I do hereby attest that this Annual Disclosure Statement for this report date has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true to the best of my knowledge and belief.



Authorized Officer of the Bank