

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75265-5906

Notice 05-56
September 28, 2005

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 my notice dated August 16, 2005, regarding the election of directors of this Bank to succeed Richard W. Evans, Jr., Class A Director, and Malcolm Gillis, Class B Director, whose terms expire December 31, 2005, the names of the candidates nominated and the names of the banks that made the nominations are set out on pages 3 and 4.

Except in the case of any member banks that are subsidiaries of the same bank holding company, * there is sent as an enclosure to each bank in Group 1 a ballot for use in voting for a Class A Director and to each bank in Group 2 a ballot for use in voting for a Class B Director. Also enclosed are an envelope bearing on its face the certificate in regard to the vote and a colored envelope marked "Ballot-Directors' Election," in which the ballot is to be sealed. 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 2 that will not participate in this election are being sent this notice, without forms, only for their information.

The ballot and certificate on the envelope must be executed by an officer who has been authorized to cast the vote. A list of the designated officers, revised to date, forms a part of this notice. In order that the balloting may be secret, the name of the bank and the voting officer should not be written on the ballot but only on the certificate envelope.

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 ballot should be marked.**
- (2) It should be placed in the colored envelope marked "Ballot-Directors' Election" and that envelope sealed.**
- (3) After the certificate on the white certificate envelope is executed, the colored sealed envelope (containing the ballot) should be placed within the white certificate envelope and that envelope sealed.**
- (4) The sealed white 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 so as to reach me within 15 days after its receipt. The polls will open on October 5, 2005, and close at 2 p.m. on October 20, 2005. At that time, the ballot box will be opened at this Bank, the sealed envelopes containing 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 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.**

While the 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, appearing to read "Ray L. Hunt". The signature is written in a cursive style with a large initial "R" and a long, sweeping underline.

Ray L. Hunt
Chairman of the Board

Enclosures (4)

CANDIDATE FOR CLASS A DIRECTOR

Richard W. Evans, Jr.

Chairman and Chief Executive Officer
Cullen/Frost Bankers, Inc.
San Antonio, Texas

Dick Evans is chairman of the board and chief executive officer of Cullen/Frost Bankers, Inc. and Frost National Bank in San Antonio, Texas. A native of Uvalde, Texas, Evans graduated from the University of Texas at Austin with a bachelor of business administration degree in 1967. Before joining Frost Bank's training program in 1971, he served as an assistant national bank examiner with the Comptroller of the Currency.

During Evans' career at Frost, he has served as a commercial loan officer, a vice president in the bank's commercial loan, credit and marketing areas, and as senior vice president in the marketing division. In 1977, he was named executive vice president of the banking group and was elected president of Frost Bank in 1985. In 1993, Evans was elected chairman of the board of Frost Bank and chief banking officer of Cullen/Frost in 1995, and in 1997, chief executive officer.

Evans is a member of the board of directors of the Federal Reserve Bank of Dallas and recently completed a three-year term as a member of the Federal Advisory Council to the Board of Governors of the Federal Reserve System in Washington, D.C.

In the civic and professional arena, Evans is chairman of the board of directors of United Way of San Antonio and Bexar County, an organization he served as general campaign chairman for 2003-2004. He is also a member of the board of directors and past chairman of the San Antonio Economic Development Foundation and the San Antonio Medical Foundation. He serves as a member of the business advisory council of the McCombs School of Business at the University of Texas at Austin and is past chairman of the United Negro College Fund. Evans serves on the board of directors of the San Antonio Livestock Exposition, Inc. and is a member of the Financial Services Roundtable and the World Presidents' Organization.

Evans is married and has two children.

Nominated by the following banks in Group 1:

TEXAS

Amarillo, Texas Amarillo National Bank
Irving, Texas TIB--The Independent Bankers Bank
Lubbock, Texas PlainsCapital Bank
McAllen, Texas Inter National Bank
McAllen, Texas Texas State Bank
Nacogdoches, Texas Commercial Bank of Texas, N.A.
San Antonio, Texas Broadway National Bank
Temple, Texas Extraco Banks, National Association

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 B DIRECTOR

James B. Bexley

Associate Professor of Finance
Sam Houston State University
Huntsville, Texas

Nominated by the following bank in Group 2:

TEXAS

Universal City, Texas TexStar National Bank

Jim Bexley is associate professor of finance and chair of the Smith-Hutson Endowed Chair of Banking at Sam Houston State University in Huntsville, Texas. Bexley joined the university nine years ago teaching finance and banking subjects. Before joining the university, Bexley was president and chief executive officer of Cardinal Bancorp and one of its subsidiaries, First American National Bank of Pennsylvania.

In addition to his teaching and endowed chair position at the university, he serves as a member of the President's Executive Leadership Council, chairman of the Athletic Advisory Council of the university and as a member of the College of Business Administration Advisory Board. Bexley also serves as a consultant to companies and financial institutions, specializing in corporate governance, strategic planning and strategic marketing. Bexley formerly served on the board of directors of the Society for the Advancement of Management, board of regents of Lambuth University and on the Governor's Select Committee on Private Sector Initiatives for the state of Texas.

He is author of four books: *Directors' Duties & Responsibilities in Financial Institutions; Banking Management; The Bank Director; and Oil and Gas Legal Forms*. Additionally, he is the author of over 100 articles in the areas of finance, banking, service quality, and corporate governance. Bexley is currently the editor of the *Journal of Commercial Banking and Finance*.

Last year, the Allied Academies named Bexley the recipient of its highest award, the Larry R. Watts Award for distinguished service. He was also awarded the Silver Beaver Award by the National Council of the Boy Scouts of America for his adult leadership and service to scouting.

Bexley holds a Bachelor of Business Administration in finance from the University of Texas at El Paso, a Master of Business Administration from the University of Houston, and a Juris Doctorate from Blackstone School of Law.

NOTE—A list of the banks in Group 2, 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 A 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
Amarillo	First Bank Southwest, N.A.	President
Bellaire	Tradition Bank	Executive Vice President
Bryan	Citibank Texas, National Association	*
Dallas	Bank of Texas, National Association	Chairman, CEO, President, Senior Controller
Dallas	Inwood National Bank of Dallas	President
Dallas	Texas Capital Bank, National Association	President
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	Summit Bank, National Association	Chairman, President, Vice President, Cashier
Gainesville	GNB Financial, N.A.	President, CEO
Granbury	Community Bank	Chairman, President, Cashier
Henderson	Citizens National Bank	Cashier
Houston	Amegy Bank, National Association	*
Houston	American First National Bank	President
Houston	First Community Bank, N.A.	Cashier
Houston	MetroBank, National Association	Chairman, President, Vice President, Cashier
Houston	Northern Trust Bank of Texas, N.A.	Vice President, Cashier
Houston	Post Oak Bank, National Association	*
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
Irving	Sovereign Bank, National Association	*
Jacksonville	Austin Bank Texas, National Association	Chairman, President, Vice President, Cashier
Lake Worth	Worth National Bank	President
Laredo	Laredo National Bank, The	President, Vice President
Laredo	South Texas National Bank of Laredo	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	President
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
Pharr	Lone Star National Bank	President, Vice President, Cashier
Plainview	HCSB, A State Banking Association	Chairman
Plano	Legacy Texas Bank	Chairman, President, Vice President, Cashier
San Angelo	San Angelo National Bank	*
San Antonio	Broadway National Bank	Chairman, President, Vice President, Cashier
San Antonio	Frost National Bank, The	President, Cashier, Vice President
San Antonio	Lone Star Capital Bank, National Association	Cashier
Southlake	Texas Bank	*
Stephenville	First Financial Bank, N.A.	Executive Vice President, Cashier
Sugarland	Southern National Bank of Texas	Chairman, Chief Executive Officer, President
Temple	Extraco Banks, National Association	President
Victoria	First Victoria National Bank	Chairman, President, Vice President, Cashier
Weatherford	Weatherford National Bank	Vice President, Cashier

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, National Association	President
Ruston	National Independent Trust Company	Chairman, President
NEW MEXICO		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Artesia	First National Bank of Artesia, The	Chairman, President, Vice President, Cashier
Carlsbad	Carlsbad National Bank, The	President, Vice President, Cashier
Portales	Portales National Bank, The	President, Cashier
TEXAS		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Alvin	First National Bank of Alvin	President, Executive Vice President
Andrews	National Bank of Andrews, The	President, Cashier
Arlington	Northwest National Bank of Arlington	President, Vice President, Cashier
Arlington	Worthington National Bank	Chairman, President, VP, CEO, Cashier
Ballinger	Ballinger National Bank	President, Executive Vice President
Ballinger	First National Bank of Ballinger, The	Chairman, President, Vice President
Bastrop	First National Bank of Bastrop, The	Chairman, President, Vice President, Cashier
Bellaire	Community National Bank	President
Big Spring	State National Bank of Big Spring, The	Chairman, President, Vice President, Cashier
Blanco	Blanco National Bank, The	President, Vice President, Cashier
Borger	First National Bank of Borger	President
Bowie	Legend Bank, National Association	President
Breckenridge	Citizens National Bank of Breckenridge	President, Vice President, Cashier
Brenham	Bank of Brenham, National Association	President
Brenham	Brenham National Bank, The	Chairman, President, Vice President, Cashier
Bridgeport	First National Bank of Bridgeport, The	Chairman, President, Vice President, Cashier
Burkburnett	First Bank	President
Burleson	First National Bank of Burleson	President
Canadian	First State Bank of Canadian, N.A.	*
Cleburne	First Financial Bank, National Association	President, Vice President
Coleman	First Coleman National Bank	Cashier
College Station	Brazos Valley Bank, National Association	President
Conroe	First Bank of Conroe, National Association	*
Corpus Christi	American Bank, N.A.	President
Dallas	Dallas National Bank	Chairman, CEO, President
Dallas	Gateway National Bank	President
Dallas	One World Bank	President
Dallas	Professional Bank, National Association	President
Dallas	T Bank, National Association	*
Dallas	Texas Community Bank & Trust, N.A.	Chairman, President
Dallas	Town North Bank, National Association	Chairman, President, Sr. Vice President, Cashier
Dallas	United Texas Bank	President
Decatur	North Texas Bank, National Association	*
Eastland	First Financial Bank, National Association	Chairman, President, Vice President, Cashier
El Paso	First National Bank	Chairman, President, Vice President, Cashier
El Paso	United Bank of El Paso Del Norte	Chairman, President, Executive VP, Cashier
Fairfield	First National Bank	Chairman, Vice President, Cashier
Flower Mound	First Security Bank, National Association	Chairman, President, Vice President, Cashier
Fort Worth	Citizens National Bank	President
Fort Worth	Fort Worth National Bank	*

GROUP 2 — Continued

TEXAS — Continued		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Fort Worth	Surety Bank, National Association	Chairman, President, Vice President, Cashier
Fort Worth	Trinity Bank, National Association	Chairman, President
Fort Worth	Woodhaven National Bank	President, Executive Vice President
Freeport	Texas Gulf Bank, National Association	*
Friona	Friona State Bank, National Association	Chairman, President
Galveston	Moody National Bank	Chairman, President, Executive Vice President
Gatesville	National Bank	Chairman, President, Vice President, Cashier
Giddings	First National Bank of Giddings	Chief Executive Officer
Gonzales	American National Bank	President
Graham	Graham National Bank	Chairman, Chief Executive Officer
Grand Prairie	Community Bank of Texas, National Association	*
Granger	First State Bank, The	Chairman, President, Vice President, Cashier
Hereford	First National Bank of Hereford, The	President
Highland Village	United Community Bank, N.A.	President
Houston	Concord Bank, National Association	Secretary of the Board
Houston	Houston Community Bank, National Association	Chairman, President
Houston	Omnibank National Association	Chairman, President, Vice President, Cashier
Houston	Right Bank for Texas, National Association	*
Houston	Southwestern National Bank	President
Houston	State Bank of Texas, The	Chairman
Hughes Springs	First National Bank of Hughes Springs, The	Chairman
Huntsville	First National Bank of Huntsville	Chairman, President, Vice President, Cashier
Iowa Park	State National Bank of Texas	Chairman, President, Vice President, Cashier
Irving	Independent Bank of Texas	President, CEO, Cashier, CFO
Keller	American Bank, National Association	*
Kerrville	Bank of the Hills, National Association	Cashier
Kilgore	City National Bank	President
Kilgore	Kilgore National Bank	President
Killeen	First National Bank Texas	Chairman, President, Vice President, Cashier
Knox City	Citizens Bank, National Association	President
Lamesa	Lamesa National Bank, The	Chairman, President, Vice President, Cashier
Liberty	First Liberty National Bank, The	Chairman, President
Livingston	First National Bank of Livingston, The	Chairman, President, Vice President, Cashier
Livingston	First State Bank	*
Lubbock	Lubbock National Bank	Chairman, President, Executive Vice President
Lubbock	Peoples Bank	Chairman, President, Cashier
McAllen	McAllen National Bank	President
Mexia	First National Bank of Mexia	President, Vice President, Cashier
Midland	First National Bank of Midland	Chairman, President, Chief Executive Officer
Monahans	First National Bank of Monahans	Chairman, President, Cashier, CEO, CFO
Newton	CountyBank, National Association	President, Executive Vice President, Cashier
Pecos	Transpecos Banks	President, Vice President, Cashier
Pilot Point	PointBank	President, Cashier
Plano	First Independent National Bank	President
Plano	Parkway Bank, National Association	Chairman, President, Vice President, Cashier
Port Lavaca	First National Bank in Port Lavaca	President
Quitman	Wood County National Bank	President
Ralls	Security Bank	Chairman, President, Vice President, Cashier
Refugio	First National Bank of Refugio, The	Cashier
San Angelo	Crockett National Bank	Cashier
San Antonio	First Community Bank San Antonio, National Association ..	Senior Vice President
San Antonio	Intercontinental National Bank	President, Vice President, Cashier
Sanger	Sanger Bank	Chairman, President
Seguin	First Commercial Bank, National Association	President
Slaton	Citizens Bank	Chairman, President, Executive VP, Senior VP
Snook	First Bank of Snook	President
Somerset	Texas Community Bank, National Association	Chairman, President, Vice President, Cashier
South Padre Island	South Padre Bank, National Association	President
Sulphur Springs	City National Bank of Sulphur Springs, The	President, Vice President, Cashier
Sweetwater	First National Bank, Sweetwater, Texas	President, Executive Vice President
Sweetwater	Texas National Bank	Chairman, President
Terrell	American National Bank of Texas, The	Chairman, President, Vice President, Cashier
The Woodlands	Texas Community Bank, National Association	President, Vice President, Cashier
Tomball	Texas National Bank	*
Universal City	Texstar National Bank	President
Van Alstyne	Texas Star Bank	President
Vernon	Waggoner National Bank of Vernon, The	President, Vice President

GROUP 2 — Continued

TEXAS — Continued		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Waco	American Bank National Association	Chairman, President, Cashier
Waco	Central National Bank	President, Vice President, Cashier
Waco	First National Bank of Central Texas	President, Vice President, Cashier
Waxahachie	Citizens National Bank in Waxahachie	President
Wellington	Wellington State Bank	President
Wichita Falls	American National Bank	President
Wichita Falls	First National Bank	Chairman, President, Cashier
Winnsboro	First National Bank of Winnsboro, The	Chairman, President, Vice President, Cashier

**Directors of the Federal Reserve Bank of Dallas
As of September 28, 2005**

Name	Occupation	Elected by Banks in Group	Class	Term Expires Dec. 31
Richard W. Evans, Jr.	Chairman and Chief Executive Officer, Cullen/Frost Bankers, Inc., San Antonio, Texas	1	A	2005
Matthew T. Doyle	Vice Chairman and Chief Executive Officer, Texas First Bank, Texas City, Texas	3	A	2006
David S. Barnard	Chairman and Chief Executive Officer, National Bank, Gatesville, Texas	2	A	2007
Malcolm Gillis	University Professor and Past President, Rice University, Houston, Texas	2	B	2005
Judy Ley Allen	Partner, Allen Investments, Houston, Texas	1	B	2006
Robert A. Estrada	Chairman and Chief Executive Officer, Estrada Hinojosa & Company, Inc., Dallas, Texas	3	B	2007
Patricia M. Patterson	President, Patterson Investments, Inc., Dallas, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	2005
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 CEO, Hunt Consolidated, Inc., Dallas, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	2007
