

# FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75265-5906

Notice 96-50  
June 5, 1996

## SPECIAL ELECTION OF CLASS B DIRECTOR 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 April 23, 1996, this Bank is conducting the special election of a Class B Director to succeed Peyton Yates. Mr. Yates resigned as a Class B Director to pursue other interests. The name of the candidate, along with the names of the banks that nominated him, is set out on page 3.

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 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. Banks in Group 1 that will not participate in this election are being sent this notice, without forms, for their information only.**

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. **If the official signature of the officer casting the ballot has not been filed with this Federal Reserve Bank, the official signature should be filed before the polls close.**

**Please follow carefully the instructions which are printed on the ballot and on the envelopes.**

**The following procedure is required in the case of the 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.**

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**\*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 Group 1 affected by this 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 its banks to participate in this election.**

Under the law, the ballot must be returned so as to reach me within 15 days after its receipt. The polls will open on June 12, 1996, and close at 2 p.m. on June 27, 1996. 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.

While the banks in Group 2 (consisting of banks having capital and surplus of over \$2,500,000, but under \$10,000,000) and banks in Group 3 (consisting of banks having capital and surplus of \$2,500,000 and under) will not vote in this election, this notice is sent to them, without forms, for their information.

Sincerely yours,

A handwritten signature in cursive script that reads "Cece Smith". The signature is written in black ink and is positioned centrally on the page, below the "Sincerely yours," text.

Chairman of the Board

Enclosures (4)

**CANDIDATE FOR CLASS B DIRECTOR**

**ROBERT C. McNAIR**

Chief Executive Officer  
Cogen Technologies, Inc.  
Houston, Texas

Mr. McNair is the founder and Chief Executive Officer of Cogen Technologies, Inc. and its affiliates which are headquartered in Houston, Texas. Cogen Technologies and its affiliates are the largest privately owned cogeneration developers in the United States with plants in New Jersey, New York, California, and West Virginia. Its plants have electric generation capacity of approximately 1400 Megawatts. Cogen Technologies is one of the five largest cogeneration/independent power companies in the world.

Mr. McNair recently served as the spokesman for the cogeneration industry in negotiations of an alternative energy procurement program in New Jersey.

He is Chairman of Cypress Telecommunications Corporation, of U.S. Telesys, Inc., of the Board of Trustees of the McNair Foundation, and of the Free Enterprise Institute. He serves as a director of Mosher, Inc., a mutual fund; as a director of the Board of the Houston Branch of the Federal Reserve Bank of Dallas; as a director on the Board of Governors of Rice University; and on the Board of Trustees of Baylor College of Medicine in Houston.

Mr. McNair is president of the Houston Grand Opera Association, a trustee of the Sigma Chi Foundation, and an elder in the Memorial Drive Presbyterian Church in Houston.

He is a 1958 graduate of the University of South Carolina, Columbia, South Carolina with a Bachelor of Science degree.

**Nominated by the Following Banks in Group 1:**

**TEXAS**

Dallas..... Texas Independent Bank  
Houston .....Southwest Bank of Texas, N.A.  
San Antonio. ....Broadway National Bank

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**NOTE—A list of the banks in Group 1, showing the officers authorized to cast the vote of each bank, is given on pages 4 through 5 of this notice.**

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## GROUP 1

Consists of all member banks having capital and surplus of \$10,000,000 and over.

**Banks in this group elect one Class B Director.**

LOUISIANA		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Minden	Minden Bank & Trust Company .....	President
Monroe	Central Bank .....	President, Vice President, Cashier
Shreveport	Commercial National Bank in Shreveport .....	Chairman, President, Vice President, Cashier
NEW MEXICO		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Las Cruces	First National Bank of Dona Ana County .....	President, Vice President, Cashier
TEXAS		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Abilene	First National Bank of Abilene .....	Chairman, President, Vice President, Cashier
Amarillo	Amarillo National Bank .....	Chairman, President, Vice President, Cashier
Amarillo	Boatmen's First National Bank of Amarillo .....	President, Cashier
Amarillo	First Bank Southwest, N.A. ....	President
Bay City	Norwest Bank Texas, Bay City, N.A. ....	Chairman, President, Vice President, Cashier
Bellaire	Citizens National Bank of Texas .....	President
Brownsville	The Mercantile Bank, N.A. ....	Chairman, President, Cashier
Dallas	Alliance Trust Company, N.A. ....	*
Dallas	Bank One, Texas, National Association .....	Chairman
Dallas	Fidelity Bank, National Association .....	William C. Murphy, Chairman and President; Edward D. Mahon, Executive Vice President; Virginia L. Anderson, Secretary
Dallas	NationsBank of Texas, N.A. ....	Chairman, President
Dallas	Northern Trust Bank of Texas, N.A. ....	President
Dallas	Texas Independent Bank .....	President, Chief Executive Officer
Dallas	U.S. Trust Company of Texas, National Association .....	Chairman, President, Senior Vice President
El Paso	Bank of the West .....	Chairman
El Paso	Norwest Bank El Paso, N.A. ....	President
El Paso	Sun World, N.A. ....	*
Fort Worth	Overton Bank and Trust, National Association .....	President
Grand Prairie	Riverside National Bank .....	Vice Chairman, President
Grapevine	First National Bank of Grapevine .....	Chairman, President, Vice President, Cashier
Henderson	Citizens National Bank .....	Cashier
Houston	BankTEXAS, National Association .....	Chairman, President, Vice President, Cashier
Houston	Charter National Bank - Houston .....	President
Houston	First Interstate Bank of Texas, N.A. ....	President, Chairman of the Executive Committee
Houston	MetroBank, National Association .....	Chairman, President, Vice President, Cashier
Houston	Northwest Bank, National Association .....	*
Houston	Southwest Bank of Texas, N.A. ....	Chairman, President, Vice President, Cashier
Houston	Texas Commerce Bank National Association .....	Chairman, President, Vice President, Cashier
Huntsville	First National Bank of Huntsville .....	Chairman, President, Vice President, Cashier

## GROUP 1 — Continued

### TEXAS — Continued

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Irving	Bank of America Texas, N.A. ....	Richard Levy, Vice President
Kerrville	Norwest Bank Texas, Kerrville, N.A. ....	Chairman, President, Vice President, Cashier
Kilgore	Kilgore First National Bank ....	President, Cashier
Laredo	The Laredo National Bank ....	President, Vice President
Laredo	Union National Bank of Texas ....	Chairman, President
Longview	Longview National Bank ....	Vice President, Cashier
Lubbock	Norwest Bank Texas, National Association ....	President, Vice President, Cashier
Lubbock	The Plains National Bank of Lubbock ....	Alan White, Chairman; John C. Owens, President; DeWayne V. Pierce, Senior Executive Vice President
Lufkin	Lufkin National Bank ....	Chairman, President, Vice President
McAllen	Texas State Bank ....	Chairman, President, Cashier
Midland	Norwest Bank Texas Midland National Association ....	*
Midlothian	Surety Bank, National Association ....	Chairman, President, Vice President, Cashier
Palestine	The First National Bank of Palestine ....	President, Vice President, Cashier
San Angelo	Texas Commerce Bank - San Angelo, National Association .....	President, Cashier
San Antonio	Broadway National Bank ....	Chairman, President, Vice President, Cashier
San Antonio	Caminoreal Bank, N.A. ....	Chairman, President and Chief Executive Officer
San Antonio	The Frost National Bank ....	President, Vice President, Cashier
San Antonio	Groos Bank, National Association ....	Chairman, President, Vice President, Cashier
Tyler	Tyler Bank & Trust, National Association ....	Neil S. West, Chairman
Victoria	First Victoria National Bank ....	Chairman, President, Vice President, Cashier
Waco	Norwest Bank Texas, Waco, National Association ....	President
Weatherford	Texas Bank ....	President
Wichita Falls	Norwest Bank Texas, Wichita Falls, National Association .....	President, Cashier

**Directors of the Federal Reserve Bank of Dallas  
As of June 5, 1996**

Name	Occupation	Elected by Banks in Group	Class	Term Expires Dec. 31
Gayle M. Earls .....	President and Chief Executive Officer, Texas Independent Bank, Dallas, Texas	1	A	1996
Dudley K. Montgomery .....	President and Chief Executive Officer, The Security State Bank of Pecos Pecos, Texas	2	A	1998
Kirk A. McLaughlin .....	President and Chief Executive Officer, Security Bank, Dallas, Texas	3	A	1997
VACANCY .....		1	B	1997
J. B. Cooper, Jr. ....	Farmer, Roscoe, Texas	2	B	1996
Milton Carroll .....	Chairman of the Board and Chief Executive Officer, Instrument Products, Inc., Houston, Texas	3	B	1998
Cece Smith .....	General Partner, Phillips-Smith Specialty Retail Group, Dallas, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	1997
<i>Chairman</i>				
Roger R. Hemminghaus .....	Chairman of the Board, President, and Chief Executive Officer, Diamond Shamrock, Inc., San Antonio, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	1998
<i>Deputy Chairman</i>				
James A. Martin .....	Second General Vice President, International Association of Bridge, Structural & Ornamental Iron Workers, Austin, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	1996