

Federal Reserve Bank of Dallas

Dallas, Texas 75265-5906

Notice 99-67
August 24, 1999

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, 1999:

Class A Director — Gayle M. Earls
President and Chief Executive Officer
TIB The Independent Bankers Bank
Dallas, Texas

Class B Director — Dan Angel
President
Stephen F. Austin State University
Nacogdoches, Texas

Mr. Earls was elected by banks in Group 1, consisting of banks having capital and surplus of \$10,000,000 and over. At the conclusion of his present term, Mr. Earls will have served two full three-year terms and is not eligible for reelection.

Mr. Angel was elected by banks in Group 2, consisting of banks having capital and surplus of over \$2,500,000 but under \$10,000,000. At the conclusion of his present term, Mr. Angel will have served one full three-year term. He has requested that his name not be placed in nomination 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 24.** A form and return envelope for this purpose are enclosed. On October 6, 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 13 and close at 2 p.m. on October 28. 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 the purpose of 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. **If the official signature of the officer or officers authorized to cast the ballot has not been filed with this Federal Reserve Bank, such official signature should be filed before the polls close.**

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 \$2,500,000 and under.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger B. H. A.", written in a cursive style.

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 having capital and surplus of \$10,000,000 and over.

Banks in this group elect one Class A Director.

LOUISIANA

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Minden	Minden Bank & Trust Company	President

NEW MEXICO

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Las Cruces	First Security Bank of Southern New Mexico, National Association	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
Abilene	First State Bank, National Association	President
Amarillo	Amarillo National Bank	Chairman, President, Vice President, Cashier
Amarillo	First Bank Southwest, N.A.	President
Amarillo	The First National Bank Amarillo	President
Baytown	Citizens Bank and Trust Company of Baytown, Texas	Chairman
Bellaire	Citizens National Bank of Texas	President
Brenham	Texas National Bank	Chairman, President

GROUP 1 — Continued

TEXAS		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Dallas	Bank of Texas, National Association	Tom E. Turner, Chairman; C. Thomas Abbott, President; Jane Colesar, Cashier & Sr. Vice President
Dallas	Bank One, Texas, National Association	Chairman
Dallas	Inwood National Bank of Dallas	President
Dallas	Northern Trust Bank of Texas N.A.	President
Dallas	Texas Capital Bank, National Association	*
Dallas	TIB The Independent BankersBank	President, Chief Executive Officer
Dallas	U.S. Trust Company of Texas, National Association	Chairman, President, Senior Vice President
Edinburg	First National Bank	Chairman, President, Vice President, Cashier
El Paso	Bank of the West	Chairman
El Paso	Norwest Bank El Paso, N.A.	President
Garland	United Central Bank	President
Granbury	Community Bank	*
Henderson	Citizens National Bank	Cashier
Houston	American First National Bank	President
Houston	Banco Popular, National Association (Texas)	Chairman, President
Houston	Bank of Tanglewood, National Association	Chairman, President, Executive Vice President
Houston	Chase Bank of Texas, National Association	Chairman, President, Vice President, Cashier
Houston	First Bank Texas National Association	Chairman, President, Vice President, Cashier
Houston	MetroBank, National Association	Chairman, President, Vice President, Cashier
Houston	Northwest Bank, National Association	Chairman, President
Houston	Republic National Bank	President
Houston	Southwest Bank of Texas, N.A.	Chairman, President, Vice President, Cashier
Houston	Texas First National Bank	President
Houston	Wells Fargo Bank (Texas), National Association	Chairman of Executive Committee, President
Houston	Woodforest National Bank	Chairman, President, Vice President, Cashier
Hurst	Surety Bank, National Association	Chairman, President, Vice President, Cashier
Jacksonville	Austin Bank, Texas National Association	Chairman, President, Vice President, Cashier
Kilgore	City National Bank of Kilgore	President
La Porte	Bayshore National Bank of La Porte	President
Laredo	The Laredo National Bank	President, Vice President
Livingston	The First National Bank of Livingston	Chairman, President, Vice President, Cashier
Lubbock	Plains National Bank	Alan White, Chairman; John C. Owens, President; DeWayne V. Pierce, Senior Executive Vice President
Lubbock	State National Bank of West Texas	Chairman
Marble Falls	Marble Falls National Bank	President
McAllen	Inter National Bank	Chairman, President, Cashier
McAllen	Texas State Bank	Chairman, President, Cashier
Nacogdoches	Commercial Bank of Texas, N.A.	President
Pharr	Lone Star National Bank	President, Vice President, Cashier
Plainview	Hale County State Bank	Chairman
Plano	Legacy Bank of Texas	Chairman, President, Vice President, Cashier
Richardson	Canyon Creek National Bank	President
San Angelo	San Angelo National Bank	*
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	Norwest Bank Texas, National Association	President, Vice President, Cashier
Temple	Extraco Banks, National Association	President
Victoria	Citizens National Bank	President
Victoria	First Victoria National Bank	Chairman, President, Vice President, Cashier
Weatherford	Texas Bank	President
Weatherford	Weatherford National Bank	Vice President and Cashier

**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 having capital and surplus of over \$2,500,000 but under \$10,000,000.

Banks in this group elect one Class B Director.

LOUISIANA

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Bossier City	Citizens National Bank of Bossier City Louisiana	President
Mansfield	Progressive National Bank of DeSoto Parish	Chairman, President

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
Carlsbad	The Carlsbad National Bank	President, Vice President, Cashier
Clovis	First National Bank of Clovis	President
Las Cruces	Bank of the Rio Grande, National Association	President
Las Cruces	Community First National Bank	President

TEXAS

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Abilene	Citizens Bank, National Association	*
Abilene	United Bank & Trust	President
Alice	First Community Bank, National Association	Chairman
Alvin	First National Bank of Alvin	President, Executive Vice President
Andrews	The National Bank of Andrews	President, Cashier
Arlington	Arlington National Bank	President
Arlington	Northwest National Bank of Arlington	President, Vice President, Cashier
Athens	The First National Bank of Athens	President, Senior Vice President, Vice President, Cashier
Austin	City National Bank	*
Austin	Hartland Bank, National Association	President, Cashier
Ballinger	Ballinger National Bank	President, Executive Vice President

GROUP 2 — Continued

TEXAS — Continued

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Ballinger	The First National Bank of Ballinger	Chairman, President, Vice President
Bastrop	The First National Bank of Bastrop	Chairman, President, Vice President, Cashier
Bay City	First National Bank of Bay City	President
Bedford	Western American National Bank	James N. McMahon, Chairman and President
Beeville	The Commercial National Bank of Beeville	Chairman, President, Vice President, Cashier
Bellaire	First National Bank of Bellaire	Chairman, President, Vice President, Cashier
Bellville	The First National Bank of Bellville	President, Vice President, Cashier
Borger	First National Bank of Borger	President
Bowie	The First National Bank of Bowie	President
Breckenridge	Citizens National Bank of Breckenridge	President, Vice President, Cashier
Brenham	The Brenham National Bank	Chairman, President, Vice President, Cashier
Burleson	First National Bank of Burleson	President
Cameron	The Citizens National Bank of Milam County	Chairman, President, Vice President, Cashier
Canadian	First State Bank of Canadian, N.A.	*
Carthage	Panola National Bank	President
Childress	Citizens National Bank of Childress	President
Cleburne	The First National Bank in Cleburne	President, Vice President
Coleman	First Coleman National Bank	Cashier
Corpus Christi	American Bank, N. A.	President
Dallas	Abrams Centre National Bank	*
Dallas	Brookhollow National Bank	President
Dallas	Dallas National Bank	Michaux Nash, Jr., Chairman, President & Chief Executive Officer
Dallas	Eagle National Bank	President
Dallas	First Citizens Bank, National Association	President
Dallas	First Mercantile Bank, National Association	President, Cashier, Assistant Cashier
Dallas	Founders National Bank—Skillman	President
Dallas	Gateway National Bank	President
Dallas	Texas Central Bank, National Association	James C. Veirs, Chairman/President
Dallas	Texas Community Bank & Trust, N.A.	Chairman, President
Dallas	United Texas Bank	President
Decatur	The First National Bank of Texas	Chairman, President, Vice President, Cashier
Denison	Landmark Bank, National Association	Chairman, President, Vice President, Cashier
Dublin	First National Bank of Dublin	Chairman
Eagle Pass	NBC Bank, National Association	Cashier
Eastland	Eastland National Bank	Chairman, President, Vice President, Cashier
El Paso	Continental National Bank	President
El Paso	State National Bank	President
Eules	Landmark Bank	President, Vice President, Cashier
Fabens	The First National Bank of Fabens	President
Fort Worth	Citizens National Bank	President
Fort Worth	Fort Worth National Bank	*
Fort Worth	Riverbend Bank, National Association	President
Fort Worth	Summit Community Bank, National Association	Chairman, President, Vice President, Cashier
Fort Worth	Woodhaven National Bank	President, Executive Vice President
Freeport	Texas Gulf Bank, National Association	Chairman, President, Vice President, Cashier
Gainesville	Guaranty National Bank	President, Vice President
Galveston	The Moody National Bank of Galveston	Chairman, President, Executive Vice President
Galveston	United States National Bank of Galveston	Chairman, President, Vice President, Cashier
Garland	Security Bank, National Association—Garland	President
Gatesville	National Bank	Chairman, President, Vice President, Cashier
Giddings	First National Bank of Giddings	Chief Executive Officer
Gilmer	The First National Bank of Gilmer	Chairman, President, Vice President, Cashier
Gladewater	Gladewater National Bank	Chairman, President, Vice President, Cashier
Gonzales	American National Bank	President
Graham	First National Bank in Graham	Chairman, President, Vice President, Cashier
Graham	Graham National Bank	Jeff Glazner, Chairman and Chief Executive Officer
Granbury	Heritage National Bank	Frank B. Kimmell, President
Granbury	Liberty National Bank	*

GROUP 2 — Continued

TEXAS — Continued		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Granger	The First State Bank	Chairman, President, Vice President, Cashier
Harlingen	The Harlingen National Bank	President, Vice President, Cashier
Highland Village	United Community Bank, N.A.	President
Houston	Alief Alamo Bank	Executive Vice President
Houston	Asian American National Bank	Secretary of the Board
Houston	Bank of Houston	President, Vice President, Cashier
Houston	CompuBank, National Association	*
Houston	Lone Star Bank, N.A.	President, Cashier
Houston	Omnibank National Association	Chairman, President, Vice President, Cashier
Houston	Redstone Bank, N. A.	President
Houston	Southwest Guaranty Trust Company, National Association	Chairman
Houston	Southwestern National Bank	*
Houston	The State Bank of Texas	William B. Black, III, Chairman
Houston	Texas Guaranty Bank, National Association	President
Houston	Unity National Bank of Houston	Chairman (Co-Chairman)
Huntsville	First National Bank of Huntsville	Chairman, President, Vice President, Cashier
Hurst	Mid-Cities National Bank	Chairman
Hutto	Texas Heritage Bank	President, Vice President, Cashier
Iowa Park	State National Bank of Texas	Chairman, President, Vice President, Cashier
Irving	Independent National Bank	President
Katy	Community Bank	Chairman, Vice Chairman, President
Kerrville	Bank of the Hills, National Association	Cashier
Killeen	First National Bank Texas	Chairman, President, Vice President, Cashier
Kingsville	Kleberg First National Bank of Kingsville	Chairman, President, Vice President, Cashier
Lake Worth	Worth National Bank	President
Lamesa	The First National Bank of Lamesa	Chairman, President, Vice President, Cashier
Lamesa	The Lamesa National Bank	Chairman, President, Vice President, Cashier
Laredo	Falcon National Bank	President, Cashier
Laredo	South Texas National Bank of Laredo	President, Vice President
Liberty	The First Liberty National Bank	Chairman, President
Livingston	First State Bank	*
Lubbock	Lubbock National Bank	Chairman, President, Executive Vice President
Lubbock	Whisperwood National Bank	President
Luling	NBC Bank Central, N.A.	Chairman, President, Vice President, Cashier
McAllen	McAllen National Bank	President
McAllen	Rio National Bank	Chairman/Chief Executive Officer
Mesquite	Townbank, National Association	Chairman
Mexia	First National Bank of Mexia	President, Vice President, Cashier
Midland	Community National Bank	President
Midland	First National Bank of Midland	Chairman, President, Chief Executive Officer
Mineral Wells	First State Bank of Mineral Wells	President
Mount Pleasant	The American National Bank of Mount Pleasant	President
Muleshoe	First Bank of Muleshoe	President
New Waverly	Citizens Bank of Texas, National Association	President
Odessa	Western National Bank	Chairman, President, Vice President, Cashier
Ozona	Crockett National Bank	President, Vice President
Palestine	The East Texas National Bank of Palestine	President
Pampa	National Bank of Commerce	President, Vice President
Pearland	First Community Bank, N.A.	*
Pecos	The First National Bank of Pecos	President, Cashier
Pecos	The Security State Bank of Pecos	President, Vice President, Cashier
Plano	First Independent National Bank	President
Port Lavaca	First National Bank in Port Lavaca	President
Quitman	Wood County National Bank	President
Ralls	Security Bank	Chairman, President, Vice President, Cashier
Refugio	The First National Bank of Refugio	Cashier
Rotan	First National Bank	President
San Antonio	Clear Lake National Bank	*
San Antonio	Intercontinental National Bank	President, Vice President, Cashier
San Antonio	Mission National Bank	*

GROUP 2 — Continued

TEXAS — Continued		
Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
San Antonio	Security National Bank of San Antonio	President
San Antonio	The Trust Company, National Association	Chairman
Sanger	Sanger Bank	Charles Fenoglio, Chairman/President
Seguin	First Commercial Bank, National Association	President
Seminole	Seminole National Bank	Chairman, President, Vice President, Cashier
Slaton	Citizens Bank	Chairman, President, Executive Vice President, Senior Vice President
South Padre Island	South Padre Bank, National Association	President
Snyder	Snyder National Bank	Chairman, President, Executive Vice President, Vice President
Sugar Land	Southern National Bank of Texas	Chairman, Chief Executive Officer, President
Sweetwater	First National Bank, Sweetwater, Texas	President, Executive Vice President
Sweetwater	Texas National Bank	Chairman, President
Terrell	The American National Bank of Texas	Chairman, President, Vice President, Cashier
Tomball	Texas National Bank	*
Vernon	The Herring National Bank of Vernon	President, Vice President, Cashier
Waco	American Bank National Association	William C. Landiss, President and Chief Executive Officer
Waco	Central National Bank	President, Vice President, Cashier
Waco	First National Bank of Central Texas	President, Vice President, Cashier
Wellington	Wellington State Bank	President
Wichita Falls	American National Bank	President
Wichita Falls	First National Bank	Chairman, President, Cashier
Wills Point	Citizens National Bank of Wills Point	President
Winnsboro	The First National Bank of Winnsboro	Chairman, President, Vice President, Cashier

**Directors of the Federal Reserve Bank of Dallas
As of August 24, 1999**

Name	Occupation	Elected by Banks in Group	Class	Term Expires Dec. 31
Gayle M. Earls	President and Chief Executive Officer, TIB The Independent Bankers Bank, Dallas, Texas	1	A	1999
Dudley K. Montgomery	President and Chief Executive Officer, The Security State Bank of Pecos, Pecos, Texas	2	A	2001
Kirk A. McLaughlin	President and Chief Executive Officer, Security Bank, Dallas, Texas	3	A	2000
VACANCY		1	B	2000
Dan Angel	President, Stephen F. Austin State University, Nacogdoches, Texas	2	B	1999
Julie Spicer England	Vice President, Texas Instruments, Dallas, Texas	3	B	2001
Roger R. Hemminghaus <i>Chairman</i>	Chairman of the Board, Ultramar Diamond Shamrock Corp., San Antonio, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	2001
James A. Martin	Retired Second General Vice President, International Association of Bridge, Structural, Ornamental, and Reinforcing Iron Workers, Austin, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	1999
H. B. Zachry, Jr.	Chairman and Chief Executive Officer, H. B. Zachry Company, San Antonio, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	2000