

SAMPLE BYLAWS FOR A A TEXAS STATE STOCK SAVINGS BANK

ARTICLE I - OFFICES

Section 1.1. Principal Office and Registered Agent. The principal office of (Corporate Title) shall located and established at in the county of , Texas. The registered agent shall have a business address identical to the principal office of the savings bank.

Section 1.2. Other Offices. The savings bank may have other offices within or outside the State of Texas as such place or places as the board of directors may from time to time determine.

ARTICLE II - STOCKHOLDERS

Section 2.1. Annual Meeting. An annual meeting of the stockholders for the election of directors and for the transaction of other business of the savings bank shall be held within 120 days after the end of the savings bank's fiscal year on the day of , if not a legal holiday, and if a legal holiday, then on the next day following which is not a legal holiday, at , or at such other date and time as may be determined by the board of directors and stated in the notice of the meeting.

Section 2.2. Special Meetings. Special meetings of the stockholders for any purpose may be called at any time by: (i) the board of directors pursuant to a written request approved by the affirmative vote of a majority of the directors, then in office; (ii) the chairman of the board; (iii) the chief executive officer; or (iv) the president.

Section 2.3. Notice of Meetings. A written notice stating the place, day, and hour for the meeting and the purpose(s) for which the meeting is called shall be either delivered personally or mailed to each stockholder of record entitled to vote at such meeting at least ten (10) days prior to such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the mail, addressed to the stockholder at the address as it appears on the stock transfer books or records of the savings bank, with postage pre-paid. It shall not be necessary to give any notice of transacted thereat (unless a new record date is fixed therefor), other than an announcement at the meeting at which the adjournment was taken.

Section 2.4. Place of Meetings. All meetings of the stockholders of the savings bank shall be held at the principal place of business of the savings bank, or at such other place as shall be determined from time to time by the board of directors, and the place at which any such meeting shall be held must be stated in the notice of the meeting.

Section 2.5. Conduct of Meetings. Annual and special meetings shall be presided over by the chairman of the board, the chief executive officer, or the president, or if neither the chairman of

the board, chief executive officer nor the president is present, by such other officer as designated by the board of directors. The presiding officer shall determine the order of the business and the procedure at the meeting, including such regulation of the manner of voting and conduct of the discussion.

Section 2.6. Record Date. For the purpose of determining the stockholders entitled to notice of and to vote at any meeting of the stockholders or any adjournment thereof, or stockholders entitled to receive payment of a dividend, or to make a determination of stockholders for any other proper purpose, the board of directors shall fix in advance a date as a record date for any such determination of stockholders. Such date shall not be more than 60 days and in the case of a meeting of stockholders, not less than 10 before any such meeting. At least 10 days before each meeting of stockholders, a complete record of stockholders entitled to vote shall be made, arranged in alphabetical order, with the address of and number of shares held by each, which record shall be kept on file at the registered office of the savings bank for a period of ten days prior to such meeting. The record shall be kept open at the time and place of the meeting for the inspection of any stockholder. The original stock transfer books shall constitute prima facie evidence of the stockholders entitled to examine such record or transfer books or to vote any meeting of stockholders.

Section 2.7. Quorum. A majority of the outstanding shares of stock of the savings bank entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. If less than a majority of the outstanding shares is represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum is determined to be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The stockholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to constitute less than a quorum.

Section 2.8. Proxies. At all meetings of stockholders, a stockholder may vote either in person or by proxy executed in writing by the stockholder or by his or her duly authorized attorney in fact. Proxies solicited on behalf of management shall be voted as directed by the stockholder or, in the absence of such direction as determined by a majority of the board of directors. No proxy shall be valid for more than eleven months from the date of its execution.

Section 2.9. Waiver of Notice. Any notice required to be given to any stockholder, may be subject to a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein for the meeting, and such waiver of notice shall be equivalent to giving such notice in a timely manner.

Section 2.10. Voting Shares in the Name of Two or More Persons. When ownership stands in the name of two or more persons, in the absence of written directions to the savings bank to the contrary, at any meeting of the stockholders of the savings bank any one or more of such stockholders may cast, in person or by proxy, all votes to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the several persons in whose names shares of stock is held, the vote or votes to which those persons are entitled shall be cast as directed by a majority of those holding such stock and present in person or by proxy at such meeting, but no votes shall be cast for such stock if a majority cannot agree.

Section 2.11. Voting of Shares by Certain Holders. (a) Shares standing in the name of another corporation may be voted by an officer, agent or proxy as the bylaws of such corporation may prescribe, or, in the absence of such provision, as the board of directors of such corporation may determine. Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name. Shares standing in the name of a receiver may be voted by such receiver, without the transfer thereof into his name if authority to do so is contained in an appropriate order of the court or other public authority by which such receiver was appointed. A stockholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

(b) Neither treasury shares of its own stock held by the savings bank, nor shares held by another corporation, if majority of the shares entitled to vote for the election of directors of such other corporation are held by the savings bank, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time for purposes of any meeting.

Section 2.12. Inspectors. For each meeting of stockholders, the board of directors may appoint one or more inspectors of election. If for any meeting the inspector(s) appointed by the board of directors shall be unable to act or the board of directors shall fail to appoint any inspector, one or more inspectors may be appointed at the meeting by the chairman thereof. Such inspector(s) shall conduct the voting in each election of directors and, as directed by the board of directors or the chairman of the meeting, the voting on the matters to be voted on at such meeting, and after the voting shall make a certificate of the vote taken. Inspectors need not be stockholders.

ARTICLE III. BOARD OF DIRECTORS

Section 3.1. Number and Powers. The management of all the affairs, property and interest of the savings bank shall be vested in a board of directors. The board of directors shall consist of at least five persons as of the effective date of these Amended and Restated Bylaws; the number of directors shall be fixed, from time to time, by resolution of the board of directors, subject to such limitations as may be set forth in the Articles. Directors need not be residents of the State of Texas but must meet the qualification requirements set forth in the Articles. In addition to the powers and authorities expressly conferred upon by the Articles and these Bylaws, the board of directors may exercise all such powers of the savings bank and do all lawful acts and things as are not by statute, the Articles, or these Bylaws directed or required to be exercised or done by the stockholders.

Section 3.2. Change in Number. The number of directors may at any time be increased or decreased by a vote of a majority of the whole board of directors, provided that no decrease shall have the effect of shortening the term of any incumbent director except as provided in Section 3.5 hereunder.

Section 3.3. Vacancies. In the event of a vacancy on the board of directors, the remaining directors shall have full power and authority to continue direction of the savings bank until such vacancy is filled. All vacancies in the board of directors, whether caused by resignation, death or

otherwise, shall be filled by election at an annual or special meeting of the stockholders called for that purpose or by an affirmative vote of the remaining directors.

Section 3.4. Resignation. Any director may resign at any time by sending a written notice of such resignation to the principal office of the savings bank addressed to the chairman of the board, the chief executive officer or the president. Unless otherwise specified, such resignation shall take effect upon receipt of the chairman of the board, the chief executive officer or the president.

Section 3.5. Removal of Directors. Directors may be removed with or without cause at any special or annual meeting of the stockholders, by an affirmative vote of a majority of the number of shares of stock present, in person or by proxy, at such meeting and entitled to vote for the election of such director, if notice of intention to act upon such matter shall have been given in the notice calling such meeting.

Section 3.6. Regular Meetings. Regular meeting of the board of directors or any such committee may be held without notice at the principal office of the savings bank or at such other place or places, either within or without the State of Texas, as the board of directors or such committee, as the case may be, may from time to time designate. The annual meeting of the board of directors shall be held without notice immediately after the adjournment of the annual meeting of stockholders.

Section 3.7. Special Meetings. Special meetings of the board of directors may be called at any time by the chairman, the chief executive officer, the president or by a majority of the whole board of directors, to be held at the home office of the savings bank or at such other place or places as the board of directors or the person or persons calling such meeting may from time to time designate. Notice of all special meetings of the board of directors shall be given to each director at least two days before the date of the meeting. Such notice need not specify the business to be transacted nor the purpose of the meeting.

Section 3.8. Quorum. A majority of the whole board of directors shall be necessary at all meetings to constitute a quorum for the transaction of business. If less than a majority is present at a meeting of the whole board of directors, a majority of the directors present may adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum shall be present. The act of a majority of the whole board of directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by law, the Articles or these Bylaws.

Section 3.9. Remuneration. By resolution of the board of directors, a reasonable fixed sum and expenses of attendance, if any, may be allowed for attendance at such regular or special meetings of such board. Members of standing or special committees may, by resolution of the board of directors, be allowed like compensation for attending committee meetings.

Section 3.10. Action by Directors Without a Meeting. Any action required or which may be taken at a meeting of the directors, or of a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken or to be taken, shall be signed by all of the directors, or all of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote.

Section 3.11. Action of Directors by Communications Equipment. Any action required or which may be taken at a meeting of directors, or of a committee thereof, may be taken by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person but shall not constitute attendance for the purpose of remuneration pursuant to Section 3.9 hereof.

ARTICLE IV. COMMITTEES

Section 4.1. Committees. The board of directors, by resolution passed by a majority of the entire board of directors, may from time to time designate members of the board of directors to constitute committees, including an executive committee and an audit committee, which shall in each case consist of such number of directors, not less than two, and shall have and may exercise such powers as the board of directors may determine and specify in the respective resolutions appointing them. The board of directors shall have the power at any time to change the number and members (with or without cause) of any such committee, to fill vacancies and to discharge any such committee.

ARTICLE V. OFFICERS

Section 5.1. Designations. The officers of the savings bank shall be a president, chairman of the board, chief executive officer, secretary, treasurer, and such vice presidents, assistant secretaries and assistant treasurers as the board may designate, who shall be elected by a majority vote of the directors at their first meeting after the annual meeting of stockholders, and who shall hold office until their successors are elected and qualify. Any two or more offices may be held by the same person, except the offices of the chief executive officer and the president may not be a secretary.

Section 5.2. Powers and Duties. The officers of the savings bank shall have such authority and perform such duties as the board of directors may from time to time authorize or determine. In the absence of action by the board of directors, the officers shall have such powers and duties as generally pertain to their respective offices.

Section 5.3. Vacancies. Vacancies in any office arising from any cause may be filled by a majority vote of the board of directors at any regular or special meeting of the board for the unexpired portion of the term.

Section 5.4. Other Officers. Directors may appoint such other officers and agents as it shall deem necessary or expedient, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board of directors.

Section 5.5. Term. The officers of the savings bank shall hold office until their successors are chosen and qualify or until such officer=s death, resignation or removal in the manner herein provided. The board of directors may authorize the savings bank to enter into an employment contract with any officer in accordance with applicable law or regulation; but no such contract shall impair the right of the board of directors to remove any officer at any time.

Section 5.6. Removal. Any officer or agent elected or appointed by the board of directors may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole board of directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

ARTICLE VI. CAPITAL STOCK

Section 6.1. Certificates. Certificates of stock shall be issued in numerical order, and each stockholder shall be entitled to a certificate signed by the chief executive officer, the president, or a vice president and the secretary and may be sealed with the seal of the savings bank or a facsimile thereof. The signatures of such officers may be facsimiles if the certificate is manually signed on behalf of a transfer agent, or registered by a registrar, other than the savings bank itself or an employee of the savings bank. If an officer who has signed or whose facsimile signature has been placed upon such certificate ceases to be an officer before the certificate is issued, it may be issued by the savings bank with the same effect as if the person were an officer on the date of issue. Each stock certificate shall state:

- (a) That the savings bank is organized under the laws of the State of Texas;
- (b) The name of the person to whom issued;
- (c) The number and class of shares and the designation of the series, if any, which such certificate represents; and
- (d) The par value of each share represented by such certificate, or a statement that such shares are without par value.

Section 6.2. Transfers.

(a) Transfers of stock shall be made only upon the stock transfer books of the savings bank, kept at the registered office of the savings bank or at its principal place of business, or at the office of its transfer agent or register, and before a new certificate is issued the old certificate shall be surrendered for cancellation. The board of directors may, by resolution, open a share register in any state of the United States, and may employ an agent or agents to keep such register, and to record transfers of shares therein.

(b) Shares of stock shall be transferred by delivery of the certificates therefor, accompanied either by an assignment in writing on the back of the certificate or an assignment separate from the certificate, or by written power of attorney to sell, assign and transfer the same, signed by the holder of said certificate. No shares of stock shall be transferred on the books of the savings bank until the outstanding certificates therefor have been surrendered to the savings bank.

Section 6.3. Registered Owner. Registered stockholders shall be treated by the savings bank as the holders in fact of the stock standing in their respective names and the savings bank shall not be bound to recognize any equitable or other claim to or interest in any share on the part of any other person, whether or not it shall have express or other notice thereof, except as expressly provided below or by the laws of the State of Texas. The savings bank may adopt by resolution a procedure whereby a stockholder of the savings bank may certify in writing to the savings bank that all or a portion of the shares registered in the name of such stockholder are held for the

account of a specified person or persons. The resolution shall set forth:

- (a) The classification of stockholder who may certify;
- (b) The purpose or purposes for which the certification may be made;
- (c) The form of certification and information to be contained therein;
- (d) If the certification is with respect to a record date or closing of the stock transfer books, the date within which the certification must be received by the savings bank; and
- (e) Such other provisions with respect to the procedure as are deemed necessary or desirable.

Upon receipt by the savings bank of a certification complying with the above requirements, the persons specified in the certification shall be deemed, for the purpose or purposes set forth in the certification, to be the holders of record of the number of shares specified in place of the stockholder making the certification.

Section 6.4. Mutilated, Lost or Destroyed Certificates. In case of any mutilation, loss or destruction of any certificate of stock, another may be issued in its place upon receipt of proof of such mutilation, loss or destruction. The board of directors may impose conditions on such issuance and may require the giving of satisfactory bond or indemnity to the savings bank in such sum as they might determine or establish such other procedures as they deem necessary.

Section 6.5. Shares of Another Corporation. Shares owned by the savings bank in another corporation, domestic or foreign, may be voted by such officer, agent or proxy as the board of directors may determine or, in the absence of such determination, by the chief executive officer, or the president of the savings bank.

ARTICLE VII. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 7.1. Contracts. The board of directors may authorize any officer, employee or agent of the savings bank to enter into any contract or execute and deliver any instrument in the name and on behalf of the savings bank. Such authority may be general or confined to specific instances.

Section 7.2. Loans. No loans shall be contracted on behalf of the savings bank and no evidence of indebtedness shall be issued in its name unless authorized by the board of directors. Such authority may be general or confined to specific instances.

Section 7.3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the savings bank shall be signed by one or more officers, employees or agents of the savings bank in such a manner as shall from time to time be determined by the board of directors.

Section 7.4. Deposits. All funds of the savings bank not otherwise employed shall be deposited from time to time to the credit of the savings bank in any of its duly authorized depositories as the board of directors may select.

Section 7.5. Fidelity Bonds. A blanket indemnity bond, as required by law, covering all

officers, employees and any director of the savings bank when performing the duty of an employee or officer shall be maintained by the savings bank, which is satisfactory to the Savings and Loan Commissioner of Texas and the Federal Deposit Insurance Corporation.

ARTICLE VIII. INDEMNIFICATION AND LIMITATION OF LIABILITY

Directors, officers, agents and employees of the savings bank shall be indemnified and the personal liability of directors shall be limited, as provided in the Articles.

ARTICLE IX. FISCAL YEAR; ANNUAL AUDIT

The fiscal year of the savings bank shall end on the 31st day of December of each year. The savings bank shall be subject to an annual audit as of the end of its fiscal year by independent public accountants appointed by and responsible to the board of directors.

ARTICLE X. DIVIDENDS

Subject to the terms of the savings bank's Articles and applicable statute, the board of directors may, from time to time, declare, and the savings bank may pay, dividends on its outstanding shares of capital stock.

ARTICLE XI. SEAL

The corporate seal of the savings bank shall be in such form and bear such inscription as may be adopted by resolution of the board of directors, or by usage of the officers on behalf of the association.

ARTICLE XII. BOOKS AND RECORDS

The savings bank shall keep correct and complete books and records of account and shall keep minutes and proceedings of its stockholders and board of directors; and it shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its stockholders, giving the names and addresses of all stockholders and the number and class of the shares held by each. Any books, records and minutes may be in written form or any other form capable of being converted into written form within a reasonable time.

ARTICLE XIII. AMENDMENTS AND CONSTRUCTION

Section 8.1. Amendment. The board of directors or stockholders may adopt, alter, amend or repeal these Bylaws, subject to the right of the stockholders to rescind any board action with regard to the Bylaws at a regular or special meeting of the stockholders called expressly for such purpose.

Section 8.2. Severability. If any portion of the Bylaws shall be invalid or inoperative, then, so far as is reasonable, the remainder of these Bylaws shall be considered valid and operative and effect shall be given to the intent manifested by the portion held invalid and inoperative.

As adopted by resolution of the board of directors of on and as approved by a majority vote of those stockholders entitled to vote attending a Special Meeting of Stockholders held on , _____, _____.

Secretary

APPROVED this day of , _____, _____.

Douglas B. Foster,

Savings and Mortgage Lending Commissioner of Texas