



Comptroller of the Currency
Administrator of National Banks

Licensing Operations
Southern District Office
500 North Akard, Suite 1600
Dallas, Texas 75201-3323

August 7, 2008

Conditional Approval #873
September 2008

Roland L. Williams
President and Chief Executive Officer
Post Oak Bank, N.A.
P.O. Box 22009
Houston, Texas 77227-2009

Re: Application to Reorganize to become a Subsidiary of a Bank Holding Company
Application Control No: 2008-SO-12-0150

Dear Mr. Williams:

I conditionally approve the application to reorganize Post Oak Bank, N.A., Houston, Texas to become a subsidiary of the bank holding company, Post Oak Bancshares, Inc. The approval is granted based on a thorough review of all information available, including commitments and representations made in the application and those of your representatives.

Pursuant to 12 CFR 5.32(d)(1), this approval is subject to the condition that the bank provide the Houston Field Office with 60 days prior written notice of any significant deviation or change from the bank's business plan or any significant deviation or change from the proposed changes to the bank's business plan described in the bank's plan of reorganization.

Given the possibility of the bank having to redeem up to a maximum of 5% of the common stock outstanding to dissenting and / or ineligible shareholders, you have committed to the Office of the Comptroller of the Currency ("OCC") that Post Oak Bank, N.A. will only pay dividends in accordance with 12 U.S.C. 56 and 12 U.S.C. 60(b) and comply with 12 CFR 5.46(h) regarding changes in capital. The bank will not reduce its Tier 1 Leverage capital ratio below 11.75%, unless prior approval from the OCC is obtained.

The Licensing district office must be advised in writing in advance of the desired effective date of the reorganization transaction so we may issue the necessary certification letter. The OCC will issue a letter certifying consummation when we receive:

- An executed Plan of Reorganization.

Mr. Roland Williams

Page 2.

- A certification that the transaction was approved by a majority of the bank's Board of Directors.
- A certification that shareholder approval was obtained, indicating the percentage of shares voted in favor of the transaction.

If the transaction is not consummated within one year from this approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period. Also, we will not issue a letter certifying consummation until the Federal Reserve Board grants final approval of the related holding company transaction.

A separate letter is enclosed requesting your feedback on how we handled this application. We would appreciate your response so that we may improve our service. Should you have any questions related to this application, please contact National Bank Examiner / Licensing Analyst Dana Yarborough or me at (214) 720-7052. The referenced application control number should be included in all correspondence.

Yours truly,

signed

Karen H. Bryant
Director for District Licensing