

PROXY FOR ANNUAL MEETING

PLEASE SIGN AND RETURN IMMEDIATELY

HOMETOWN BANK, NATIONAL ASSOCIATION

KNOW ALL MEN BY THESE PRESENTS, that the undersigned Shareholder of the HOMETOWN BANK, NATIONAL ASSOCIATION, Galveston, Texas, ("Bank") does hereby nominate, constitute, and appoint G. William Rider, Sidney C. Farmer, III, and Michael J. Gaido, Jr. (no officer or employee of the Bank may be named as a proxy, but Directors who are not also officers or employees may be named as proxy), or any one of them, with full power to act alone, as my true and lawful attorney(s) with full power of substitution, and re-substitution, for me and in my name, place, and stead, to vote all of Common Stock, \$1.00 par value, of the Bank, standing in my name on its books on February 9, 2018, at the Annual Meeting of its Shareholders to be held at the Bank, on April 10, 2018, at 2:00 p.m., or at any adjournment thereof, with all the powers the undersigned would possess if personally present, as follows:

-
- | | | | |
|----|--|---------|-----|
| 1. | <u>Fixing the number of Directors</u> to be elected at twelve. | For | [] |
| | | Against | [] |
| | | Abstain | [] |
-

2. Election of Directors. The election of the twelve persons named below, who are named in the proxy statement dated March 9, 2018, which accompanies a notice of the meeting.

YOU MAY WITHHOLD AUTHORITY TO VOTE FOR ANY NOMINEE EITHER BY ELECTING ALTERNATIVE NUMBER TWO BELOW AND BY LINING THROUGH OR OTHERWISE STRIKING OUT THE NAME OF ANY NOMINEE OR BY ELECTING ALTERNATIVE NUMBER THREE BELOW.

ABSENT YOUR DIRECTION TO THE CONTRARY, THIS PROXY WILL BE VOTED FOR ALL TWELVE OF THE DIRECTOR NOMINEES LISTED BELOW. THE PROXIES MAY, IN THEIR SOLE DISCRETION, VOTE THE SHARES WHICH ARE COVERED BY THIS PROXY CUMULATIVELY, AMONG SUCH OF THE NOMINEES AS ARE DESIGNATED IN ALTERNATIVE ONE, IN SUCH MANNER AS THE PROXIES DEEM DESIRABLE.

Management recommends Alternative No. 1.	Alternative No. 1 - FOR all Nominees listed below. The proxies may in their sole discretion vote the shares cumulatively among such of the nominees in such manner as the proxies deem desirable.	Alternative #1 []
	Dorothea Matthews Balentine Kent Ballard Stacy Dienst Maurice Estlinbaum Sidney C. Farmer, III Michael J. Gaido, Jr.	Greg S. Garrison E. Vince Matthews, III Robert L. Moody, Jr. Jimmy Rasmussen G. William Rider T. A. Waterman, Jr.

Alternative No. 2 - FOR all
nominees listed below except
those whose names are lined
through or otherwise stricken.
The proxies may vote the shares
cumulatively among the nominees
whose names are not stricken, in
an equal manner unless otherwise
indicated below.

Alternative #2 []

Dorothea Matthews Balentine
Kent Ballard
Stacy Dienst
Maurice Estlinbaum
Sidney C. Farmer, III
Michael J. Gaido, Jr.

Greg S. Garrison
E. Vince Matthews, III
Robert L. Moody, Jr.
Jimmy Rasmussen
G. William Rider
T. A. Waterman, Jr.

Alternative No. 3 - ABSTAIN
from voting for any nominee.

Alternative #3 []

3. Whatever other business may be brought before the meeting or any adjournments thereof (Management at present knows of no other business to be presented by or on behalf of the Bank or its management at the meeting).

For []
Against []
Abstain []

THIS PROXY WILL BE VOTED AS SPECIFIED ABOVE. IF NO SPECIFICATION IS MADE, IT WILL BE VOTED "FOR" THE FIRST AND THIRD PROPOSITIONS LISTED, AND "FOR" ALTERNATIVE NUMBER ONE WITH RESPECT TO THE ELECTION OF DIRECTORS. IF ANY OTHER BUSINESS IS PRESENTED AT THIS MEETING, THIS PROXY SHALL BE VOTED IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PROXIES. PROPERLY EXECUTED PROXIES WILL BE VOTED AS DIRECTED.

This Proxy may be revoked prior to its exercise.

DATED: _____, 2018

Signature of Shareholder
ALL JOINT OWNERS MUST SIGN

When signing as attorney, executor, administrator, trustee, or guardian, please give your full title. If more than one trustee is signing, all should sign. All joint owners must sign.

THIS PROXY IS SOLICITED ON BEHALF OF THE BANK'S BOARD OF DIRECTORS.