Stuart John III Form 4 August 28, 2008

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

Check this box

if no longer subject to Section 16. Form 4 or

Form 5 obligations may continue.

See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *

Stuart John III

(Last)

(City)

(First) (Middle)

8333 DOUGLAS AVENUE

(Street)

(State)

DALLAS, TX 75225

2. Issuer Name and Ticker or Trading

Symbol

[GFG]

Guaranty Financial Group Inc.

3. Date of Earliest Transaction

(Month/Day/Year) 08/28/2008

4. If Amendment, Date Original

Filed(Month/Day/Year)

3.

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Issuer

below)

Person

X_ Director

Applicable Line)

Officer (give title

1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3)

(Month/Day/Year)

(Zip)

Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

TransactionAcquired (A) or

4. Securities

Beneficially Owned Following Reported

Securities

Transaction(s)

19,718 (1)

5. Amount of

or (Instr. 3 and 4) Code V Amount (D) Price

(A)

Common Stock

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of **SEC 1474** information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

January 31, Expires: 2005

OMB APPROVAL

Estimated average burden hours per

OMB

5. Relationship of Reporting Person(s) to

6. Individual or Joint/Group Filing(Check

X Form filed by One Reporting Person Form filed by More than One Reporting

(Check all applicable)

Number:

response... 0.5

10% Owner

6. Ownership 7. Nature of

Indirect

Beneficial

Ownership

(Instr. 4)

(9-02)

Form: Direct

Indirect (I)

(Instr. 4)

(D) or

D

Other (specify

3235-0287

1

Edgar Filing: Stuart John III - Form 4

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transacti Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Options (right to buy) (2) (3)	\$ 7.55					02/02/2001	08/31/2008	Common Stock	3,333
Restricted Stock Units (4)	<u>(4)</u>	08/26/2008	08/26/2008	A	12,114	<u>(4)</u>	<u>(4)</u>	Common Stock	12,114

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
Stuart John III 8333 DOUGLAS AVENUE DALLAS, TX 75225	X					

Signatures

Scott A. Almy signed on behalf of John T.
Stuart, III

08/28/2008

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) In accordance with the Rights Agreement adopted by the Company on December 11, 2007, Preferred Stock Purchase Rights are deemed to be attached to the shares of Common Stock.
- (2) Shares acquired in a pro rata distribution by Temple-Inland Inc. through a spin-off on or around December 28, 2007.
- Options Vesting Schedule exercise price \$7.55: Options Exercisable 02/02/2002 833; Options Exercisable 02/02/2003 833; Options Exercisable 02/02/2004 833; and Options Exercisable 02/02/2005 834.
- Restricted Stock Units ("RSU") accrued under a Guaranty Financial Group Inc. plan, which includes a dividend reinvestment feature, and are vested on the date of grant. Each RSU is the economic equivalent of one share of common stock and is payable in stock upon Reporting Person's retirement or termination of service as a director. Effective August 26, 2008, the Board of Directors approved settlement of RSUs from stock to cash upon retirement.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporting Owners 2