

Shults Harold L JR
 Form 4
 February 06, 2008

FORM 4

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

OMB APPROVAL

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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 *
 Shults Harold L JR

2. Issuer Name and Ticker or Trading Symbol
 Guaranty Financial Group Inc.
 [GFG]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 8333 DOUGLAS AVENUE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/04/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Sr Exec VP, Insurance

DALLAS, TX 75225
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	02/04/2008	02/04/2008	F	218 ⁽¹⁾ D \$ 13.82	448 ⁽²⁾	D	
Common Stock					24 ⁽³⁾	I	By Trustee of 401(k) Plan

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

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SEC 1474 (9-02)

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

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. Transaction Code (Instr. 8)	5. Number of Derivative 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)	8. P... Der... Sec... (Ins...)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (right to buy) <u>(4)</u> <u>(5)</u>	\$ 5.57					02/07/2007	02/07/2013	Common Stock	833
Option (right to buy) <u>(4)</u> <u>(6)</u>	\$ 9.64					02/06/2007	02/06/2014	Common Stock	833
Option (right to buy) <u>(4)</u> <u>(7)</u>	\$ 13					02/04/2007	02/04/2015	Common Stock	1,250
Option (right to buy) <u>(4)</u> <u>(8)</u>	\$ 17.36					02/03/2007	02/03/2016	Common Stock	1,708
Option (right to buy) <u>(4)</u> <u>(9)</u>	\$ 19.61					02/02/2008	02/02/2017	Common Stock	2,133
Restricted Stock <u>(4)</u> <u>(10)</u>	<u>(10)</u>					<u>(10)</u>	<u>(10)</u>	Common Stock	700
Restricted Stock <u>(4)</u> <u>(11)</u>	<u>(11)</u>					<u>(11)</u>	<u>(11)</u>	Common Stock	875

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Shults Harold L JR 8333 DOUGLAS AVENUE DALLAS, TX 75225			Sr Exec VP, Insurance	

Signatures

Scott A. Almy signed on behalf of Harold L.
Shults, Jr.

02/06/2008

__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) Reporting Person surrendered 218 shares in payment of taxes on restricted award that vested effective 02/04/2008.
- (2) 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.
Reporting Person acquired additional shares through on-going acquisitions under 401(k) plan. By trustee of the Guaranty Financial Group Inc. Savings and Retirement Plan according to the latest report of the Plan Administrator. (Note: Trustee uses unit accounting; therefore, share equivalents may fluctuate slightly from month to month.)
- (3) Shares acquired in a pro rata distribution by Temple-Inland Inc. through a spin-off on or around December 28, 2007.
- (4) Options Vesting Schedule - exercise price \$5.57: Options Exercisable 02/07/2007 - 833.
- (5) Options Vesting Schedule - exercise price \$9.64: Options Exercisable 02/06/2007 - 417 and Options Exercisable 02/06/2008 - 416.
- (6) Options Vesting Schedule - exercise price \$13.00: Options Exercisable 02/04/2007 - 416; Options Exercisable 02/04/2008 - 417 and Options Exercisable 02/04/2009 - 417.
- (7) Options Vesting Schedule - exercise price \$17.36: Options Exercisable 02/03/2007 - 427; Options Exercisable 02/03/2008 - 427; Options Exercisable 02/03/2009 - 427 and Options Exercisable 02/03/2010 - 427.
- (8) Options Vesting Schedule - exercise price \$19.61: Options Exercisable 02/02/2008 - 533; Options Exercisable 02/02/2009 - 533; Options Exercisable 02/02/2010 - 534 and Options Exercisable 02/02/2011 - 533.
- (9) Restricted Shares that will vest effective 02/03/2009. Restricted Shares will be settled for cash based on the fair market value on the vesting date.
- (10) Restricted Shares that will vest effective 02/02/2010. Restricted Shares will be settled for cash based on the fair market value on the vesting date.
- (11)

Remarks:

Option prices and award amounts updated to reflect spin-off from Temple-Inland Inc. effective 12/28/2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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