

Guaranty Financial Group Inc.
 Form 4
 November 12, 2008

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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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 *
 DUBUQUE KENNETH R

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)
 11/07/2008

Director 10% Owner
 Officer (give title below) Other (specify below)
 President and CEO

AUSTIN, 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)
Common Stock	11/07/2008	11/07/2008	F	(A) or (D) V Amount 1,215 (1) D Price \$ 1.53	204,222	D	
Common Stock					76 (2)	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. F	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (right to buy) <u>(3)</u> <u>(4)</u>	\$ 5.57					02/07/2007	02/07/2013	Common Stock	2,666
Option (right to buy) <u>(3)</u> <u>(5)</u>	\$ 9.64					02/06/2005	02/06/2014	Common Stock	8,000
Option (right to buy) <u>(3)</u> <u>(6)</u>	\$ 13					02/04/2006	02/04/2015	Common Stock	8,000
Option (right to buy) <u>(3)</u> <u>(7)</u>	\$ 17.36					02/03/2007	02/03/2016	Common Stock	8,200
Option (right to buy) <u>(3)</u> <u>(8)</u>	\$ 19.61					02/02/2008	02/02/2011	Common Stock	8,200
Restricted Stock <u>(3)</u> <u>(9)</u>	<u>(9)</u>					<u>(9)</u>	<u>(9)</u>	Common Stock	7,666
Restricted Stock <u>(3)</u> <u>(10)</u>	<u>(10)</u>					<u>(10)</u>	<u>(10)</u>	Common Stock	8,166
Restricted Stock <u>(3)</u> <u>(11)</u>	<u>(11)</u>					<u>(11)</u>	<u>(11)</u>	Common Stock	10,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

DUBUQUE KENNETH R
 8333 DOUGLAS AVENUE X President and CEO
 AUSTIN, TX 75225

Signatures

Scott A. Almy signed on behalf of Kenneth R. 11/12/2008
 Dubuque

 **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) 1,215 shares withheld for tax purposes on 3,333 shares of restricted stock acquired through spin-off from Temple-Inland Inc. on 12/28/2007. Award was originally granted under and is governed by the Temple-Inland Inc. Stock Incentive Plan that provides for retirement eligibility at age 55 with 5 years of service.
 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.)
- (2) Shares acquired in a pro rata distribution by Temple-Inland Inc. through a spin-off on or around December 28, 2007.
- (3) Options Vesting Schedule - exercise price \$5.57: Options Exercisable 02/07/2007 - 2,666.
- (4) Options Vesting Schedule - exercise price \$9.64: Options Exercisable 02/06/2005 - 2,000; Options Exercisable 02/06/2006 - 2,000; Options Exercisable 02/06/2007 - 2,000 and Options Exercisable 02/06/2008 - 2,000.
- (5) Options Vesting Schedule - exercise price \$13.00: Options Exercisable 02/04/2006 - 2,000; Options Exercisable 02/04/2007 - 2,000; Options Exercisable 02/04/2008 - 2,000 and Options Exercisable 02/04/2009 - 2,000.
- (6) Options Vesting Schedule - exercise price \$17.36: Options Exercisable 02/03/2007 - 2,050; Options Exercisable 02/03/2008 - 2,050; Options Exercisable 02/03/2009 - 2,050 and Options Exercisable 02/03/2010 - 2,050.
- (7) Options Vesting Schedule - exercise price \$19.61: Options Exercisable 02/02/2008 - 2,050; Options Exercisable 02/02/2009 - 2,050; Options Exercisable 02/02/2010 - 2,050 and Options Exercisable 02/02/2011 - 2,050.
- (8) Restricted Stock Units that vest effective February 3, 2009 and will be settled for cash based on the fair market value on the vesting date subject to a 1% ROI performance criteria.
- (9) Restricted Stock Units that vest effective February 2, 2010 and will be settled for cash based on the fair market value on the vesting date subject to a 1% ROI performance criteria.
- (10) Restricted Stock Units that vest effective May 4, 2010 and will be settled for cash based on the fair market value on the vesting date subject to a 1% ROI performance criteria.
- (11) Restricted Stock Units that vest effective May 4, 2010 and will be settled for cash based on the fair market value on the vesting date subject to a 1% ROI performance criteria.

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.