LEGACYTEXAS FINANCIAL GROUP, INC.

CORPORATE GOVERNANCE GUIDELINES

I. Purpose

These Corporate Governance Guidelines describe the principles and practices that the Board of Directors of LegacyTexas Financial Group, Inc. (the “Company”) will follow in carrying out its responsibilities. These Guidelines supplement the Company's bylaws, the charters of the Board's committees, and various resolutions and policies previously adopted by the Board. As used in these Guidelines, the term “banking subsidiary” refers to LegacyTexas Bank.

II. Board Size and Composition

A. Size of the Board.

As of January 2015, the Company’s Board had eight members, including one management Director. The Company considers Board size in light of a variety of factors including, but not limited to, the availability of qualified Directors, the requirements imposed on Directors and the issues facing the Board from time to time, including business and corporate development.

B. Independent Directors.

Nasdaq Stock Market (“Nasdaq”) listing standards require that a majority of the members of the Board be “independent,” as the term “independent” is defined in those listing standards. The Company's independent directors are referred to in these Guidelines as “Independent Directors.” If as a result of resignation, retirement, death, disability, or other circumstances, a majority of the members of the Board are not Independent Directors, the Board will, as soon as is practicable, cause one or more new Independent Directors to be appointed or elected in order to restore that majority.

In addition to Nasdaq's listing standards and the SEC's rules and regulations, the Board's determination with respect to each director's status will take into consideration any transactions, relationships, arrangements, or factors (including a director's borrowing relationships with the Bank) that could impair his or her ability to exercise independent judgment in carrying out his or her duties as a director.

III. Roles and Responsibilities

The Board regularly reviews its leadership structure. The Board believes that the Company and its shareholders are best served by maintaining the flexibility to have any director serve as Chairman of the Board (“Chairman”) based on what it is in the best interests of the Company at a given point in time, taking into consideration, among other things, the composition of the Board, the Company's corporate governance practices, the Chief Executive Officer’s (“CEO”) working relationship with the Board, and challenges specific to the Company.

A. Role of the Chairman.

The Chairman is appointed annually by the Board. Based on the circumstances existing at a time that there is a vacancy in the office of either the Chairman or the CEO, the Board will consider whether the role of CEO should be separate from that of Chairman. The primary responsibilities of the Chairman include: i) facilitating Board activities, ii) assessing the independence of the Board from management, ii) assessing the quality of corporate and Board committee governance, iii) interacting with the CEO on governance and performance issues including providing feedback of other board members and as acting as a “sounding board” for the CEO to the Board.

B. Role of the Vice Chairman.

The Company's Bylaws allow the Board to elect a Vice Chairman to preside at Board and stockholder meetings and to perform such other duties as may be delegated by the Board, in either case in the absence of Chairman.

C. Role of the CEO

The CEO is responsible for the successful performance of the Company and its subsidiaries, and is accountable for the overall leadership and management of the Company in achieving its strategic objectives. The CEO promotes the effectiveness of the Board of Directors by providing the Board with advice on the organizational structure, objectives, strategies, plans and major policies of the Bank. The CEO sets out and analyzes options for the Board, makes and supports recommendations, and provides relevant data and context to enable the Board to reach informed decisions. The CEO also facilitates effective oversight by fostering and participating in candid and robust Board discussions. The CEO may interact with any Director, and will, to the extent not inappropriate, copy the Chairman on any written communications between the CEO and a Director.

IV. Board Governance

A. Committee Reporting.

The Board will maintain committees as required by applicable law, regulation or listing requirements. The Board will have such additional standing, temporary and subcommittees as it deems appropriate from time to time. The Company maintains the following standing committees: Executive, Audit, Governance and Nominating, Compensation, and Enterprise Risk.

In general, committee members will be appointed by the Board, with consideration given to the experience of individual Directors and their desires. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Each standing Board committee will have its own written charter. The charters in general will set forth the purposes, goals, and responsibilities of the committees. The charters will also provide that each committee will evaluate its performance.

The Chair of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter or applicable law. The Chair of each committee, in consultation with the appropriate members of management, will develop the committee's agenda. The schedule for each committee will be furnished to all Directors, each of whom may attend and observe committee meetings.

The Board, the Audit Committee, the Governance and Nominating Committee, and the Compensation Committee each have the power to hire, at the expense of the Company, independent legal, accounting, financial, or other advisors as they may deem necessary without consulting in advance, or obtaining the approval of, any officer of the Company (in the case of the Audit Committee, the Governance and Nominating Committee, and the Compensation Committee) the Board of the Company.

Certain committees may meet simultaneously as committees of the Company and of its banking subsidiary (the "Bank"), though they may hold separate sessions if necessary to address issues that are relevant to one entity but not the other or to consider transactions between the two entities or other matters where the Company and the Bank may have different interests. In addition, any such committee should consult with internal or outside counsel if, in the opinion of the committee, any matter under consideration by the committee has the potential for any conflict between the interests of the Company and those of the Bank or the Company's other subsidiaries in order to ensure that appropriate procedures are established for addressing any such potential conflict and for ensuring compliance with the Company's policies regarding Federal Reserve Regulation W and Sections 23A and 23B of the Federal Reserve Act.

B. Executive Sessions of the Board.

The Board shall meet in executive session from time to time at the discretion of the non-management Directors.

C. Advisory Directors.

The Board may designate advisory directors from time to time. Advisory directors do not attend Board and committee meetings. They do not vote on matters before the Board, and may be asked to assist the Company in various business and corporate development matters. In this manner, they are encouraged to become familiar with the Company's business and operations.

D. Director Access to Officers and Employees.

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a Director wishes to initiate may be arranged through the CEO or the Chairman or directly by the Director. The Directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the CEO on any written communications between a Director and an officer or employee of the Company.

The Board welcomes regular attendance at each Board meeting of the appropriate representatives of senior management as shall be determined from time to time, subject to the Board's right in all instances to meet in executive session or with a more limited number of management representatives.

E. Orientation and Continuing Education.

All new Directors must participate in an orientation program, which should be as soon as practicable following the time the new Director joins the Board. This orientation will include presentations by senior management to familiarize new Directors with the Company’s strategic plans, its significant financial, accounting, and risk management issues, its compliance programs, its various codes of ethics, its policies regarding Regulation FD and insider trading, its principal officers, and its internal and independent auditors.

The Company encourages its Directors to attend continuing director education programs to assist them in maintaining skills necessary or appropriate for the performance of their responsibilities.

F. CEO Selection, Evaluation and Management Succession.

The Board of Directors will conduct an annual review of the CEO's performance. The Governance and Nominating Committee should periodically report to the Board on succession planning. Succession planning should include principles for CEO selection, as well as practices regarding succession in the event of an emergency or the retirement of the CEO.

G. Annual Self-Evaluation.

The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Governance and Nominating Committee will review the Board and committee self-evaluation process. Annually, a report will be made to the Board on the assessment of the performance of the Board and its committees.