



**DIVIDEND REINVESTMENT
AND
DIRECT STOCK PURCHASE PLAN
For
VERITEX HOLDINGS, INC.**

Offered By:
CONTINENTAL STOCK TRANSFER & TRUST COMPANY

This Dividend Reinvestment and Direct Stock Purchase Plan (the "Plan") provides a convenient and economical method for new investors to make an initial investment in the common stock, par value \$0.01 per share (the "Common Stock") of Veritex Holdings, Inc., a Texas corporation (the "Company"), and for existing investors to increase their holdings of the Common Stock.

As a participant in the Plan you can:

- Purchase Common Stock utilizing a convenient, low cost method.
- Build your investment over time, starting with as little as \$250.00, with a maximum of \$5,000.00 per month.
- Purchase shares by check or automatic monthly bank withdrawals.
- Earn dividends on all full and fractional shares credited to your account.

Participation in the Plan is voluntary. To enroll in the Plan, complete and mail the Authorization Form in the enclosed postage paid envelope to Continental Stock Transfer & Trust Company, the administrator of the Plan (the "Plan Administrator"):

**Continental Stock Transfer & Trust Company
1 State Street - 30th Floor
New York, NY 10004
(800) 509-5586
drp@continentalstock.com**

Please read this prospectus carefully and keep it for future reference. If you have any questions after reviewing this information, please contact the Plan Administrator.

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ABOUT THE PLAN

1. What is the purpose of a Dividend Reinvestment & Direct Stock Purchase Plan?

The purpose of the Dividend Reinvestment and Direct Stock Purchase Plan (the “Plan”) is to enable new investors to make an initial investment in the common stock, par value \$0.01 per share (the “Common Stock”), of Veritex Holdings, Inc., a Texas corporation (the “Company”), and to enable existing investors to increase their holdings of Common Stock. Participants can purchase shares of Common Stock with optional cash investments and cash dividends.

2. What features does the Plan offer?

- Initial investment. If you are not a current stockholder, you can make an initial investment starting with as little as \$250.00 and up to as much as \$5,000.00.
- Optional cash investments. You can increase your holdings through optional cash investments of as little as \$50.00 and no more than \$5,000.00 monthly. You can make optional cash investments by check or by authorizing automatic monthly deductions from your bank checking or savings account.
- Automatic dividend reinvestment. You can also increase your holdings through automatic reinvestment of cash dividends you receive on the Common Stock that you hold.

3. Who is eligible to participate in the Plan?

Both record holders of shares of Common Stock and new investors are eligible to participate in the Plan.

4. How do I enroll in the Plan?

If you are currently a stockholder of record, that is, your shares of Common Stock are registered in your name (not your broker's or bank's name), you can enroll by completing and returning an authorization form to Continental Stock & Transfer Company (the "Plan Administrator") at:

Continental Stock Transfer & Trust Company
1 State Street - 30th Floor
New York, NY 10004
Fax: 1-212-616-7612 (Dividend Reinvestment)
By Email: drp@continentalstock.com

5. How do I enroll if my shares are held other than in my name?

If your shares are registered in the name of a bank, broker or other nominee (street shares) simply arrange for the bank, broker or other nominee to register in your name the number of shares of Common Stock that you want to include in the Plan. You can then enroll as a stockholder of record, as described in Question 4 above. Alternatively, if you do not want to re-register your shares, you can enroll in the Plan in the same way as someone who is not currently a stockholder, as described in Question 6 below.

6. How do I enroll if I am not currently a stockholder?

If you do not currently have any shares of Common Stock registered in your name, you can enroll in the Plan by completing and returning an authorization form to the Plan Administrator. When you enroll in the Plan, you will be required to pay a one-time account set-up fee of \$25.00 and make an initial investment of at least \$250.00 (but not more than \$5,000.00). If you authorize automatic monthly bank withdrawals, you must make your first investment by check. Your check for your initial investment and account set-up fee should be made payable to the Plan Administrator in United States funds drawn on a United States bank.

7. What are the fees associated with participation?

One-Time Account Set Up (no fee for stockholders of record)	\$25.00
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Optional Cash Investments

- Transaction fee
 - * By check \$ 2.00
 - * By automatic monthly withdrawal \$ 2.00
 - Brokerage commission Prorated based on total shares purchased
-

Dividend Reinvestment

- Dividend Reinvestment 5% with a maximum of \$1.00
 - Brokerage commission Prorated based on total shares purchased
-

Sales

- Transaction fee \$15.00 per sale
 - Brokerage commission Prorated based on total shares sold
-

Returned Checks and Rejected Automatic Bank Withdrawals \$35.00 per item

For cash investment and dividend reinvestment transactions, transaction fees and brokerage commissions are deducted from the amount invested. For sale transactions, transaction fees and brokerage commissions are deducted from the sale proceeds.
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8. What are my options for additional cash investments?

You can make optional cash investments at any time by check or by automatic bank withdrawals from a designated United States bank account. Each investment can be for as little as \$50.00. Your total investment for any month is limited to \$5,000.00.

Check. To make an investment by check, complete and return to the Plan Administrator a Transaction Request form together with your payment. Your check must be made payable to the Plan Administrator, as Agent for the Company, in United States funds drawn on a United States bank. The Plan Administrator must receive your payment at least five business days prior to an investment date; otherwise, your payment will be invested on the next investment date. No interest is paid on your payment pending its investment in the Common Stock. **Third-party checks, cash, money orders, travelers checks and checks not drawn on a U.S. bank or not in U.S. currency will not be accepted and will be returned to the sender.**

Automatic Monthly Withdrawals. You can also make investments by automatic monthly withdrawals from a designated United States checking or savings account at a qualified financial institution. Your account will be debited at least five business days prior to the investment date. To authorize automatic monthly withdrawals, complete the authorization form and return it to the Plan Administrator with a voided blank check for checking account debits or a deposit slip for a savings account debits. Your automatic monthly withdrawals will begin as soon as practicable after the Plan Administrator receives your completed form. You can change the amount of your monthly withdrawal or stop your monthly withdrawal altogether by notifying the Plan Administrator in writing. Your change or termination request must be received by the Plan Administrator at least 10 business days prior to an investment date for the change to be effective for that investment date. A participant may obtain the return of any cash investment upon request received by the Plan Administrator on or before the second business day prior to the date on which it is to be invested.

9. What are my dividend reinvestment options?

- Full Dividend Reinvestment. The Plan Administrator will reinvest in additional shares of Common Stock the full amount of cash dividends paid on all your shares.
- Partial Dividend Reinvestment. The Plan Administrator will reinvest a percentage of shares of Common Stock held by you (which must be at least 10%) and send you the dividends on the remaining shares.
- No Dividend Reinvestment. The Plan Administrator will pay to you in cash, or by direct deposit, cash dividends paid on all your shares. To authorize direct deposit, complete the authorization form and return to the Plan Administrator with a voided blank check or deposit slip.

You may change your reinvestment option at any time by sending written notice to the Plan Administrator by mail or by fax or scanned email. Notices received on or before a dividend record date will be effective for that cash dividend. Notices received after a dividend record date will not be effective until after that cash dividend has been paid.

10. When are dividends paid?

The dividend payment date and dividend record date are determined by the Company. To have your cash dividend reinvested, the Plan Administrator must receive your Account Authorization form authorizing dividend reinvestment on or before the dividend record date.

11. When does the Plan Administrator purchase shares?

- Optional Cash Investments. Optional cash investments are made on the last business day of each month, unless such day falls on a day the New York Stock Exchange is closed. In such case the investment date will be the next trading date.
- Dividend Reinvestment. Cash dividends are reinvested on the applicable dividend payment date.

Shares of Common Stock are purchased and sold for the Plan on specified dates or during specified periods. As a result, you do not have any control over the price at which shares are purchased or sold for your account, and you may pay a higher purchase price or receive a lower sales price than if you had purchased or sold the shares outside of the Plan. You bear the risk of fluctuations in the price of the Company's Common Stock. No interest is paid on funds held by the Plan Administrator pending their investment. All optional cash investments, including your initial cash investment, are subject to collection by the Plan Administrator of the full value in United States funds.

12. How does the Plan Administrator purchase the shares?

The Plan Administrator will purchase the shares of Common Stock on the open market for your account. Such purchases may be made on any securities exchange where such shares are traded, in the over the counter market or in negotiated transactions.

13. At what price will the Plan Administrator purchase the shares?

For shares of Common Stock that are purchased in the open market or in a negotiated transaction, the purchase price of such shares will be the weighted average purchase price per share for all shares purchased for that investment date including broker commission. The Plan Administrator will purchase shares through the broker as soon as practicable and in no event more than five business days after the applicable investment date.

The market price of the Common Stock fluctuates (increases and decreases). Participants understand and agree that the Company and the Plan Administrator shall have no responsibility hereunder for any such changes, including, but not limited to those occurring between a dividend reinvestment or optional cash purchase or a termination and a sale of shares held under the Plan.

14. How many shares will be purchased for me?

The number of shares to be purchased for you depends on the amount of your reinvested cash dividends and the applicable purchase price, as determined in the manner described in Question 13. Your account will be credited with that number of shares, including fractions computed to six (6) decimal places, which will equal your total dollar amount to be invested, divided by the applicable purchase price.

Your dollar amount to be invested as of any dividend payment date will be the sum of the cash dividends on all shares held in your name and enrolled in the plan as of the dividend record date. The amount to be invested for any participant will be reduced by the amount of any required tax withholding, including any “backup withholding” and any withholding required on dividends received by foreign participants, as applicable.

15. How often will I receive account statements?

The Plan Administrator will send you an account statement as soon as practicable after each dividend reinvestment and after each optional cash investment.

Account statements provide participants with records of their purchases and sales pursuant to the Plan and other important information and should be retained for tax purposes.

16. Will I receive stock certificates for my Plan shares?

You will not receive stock certificates for your Plan shares.

17. Can I transfer my Plan shares to someone else?

You can transfer your Plan shares. To do this, simply execute a stock power and return it to the Plan Administrator. Sign your name exactly as it appears on your Plan account, and if the account is registered in more than one name, each person must sign. Every signature must be guaranteed by a duly authorized representative of a financial institution participating in the Securities Transfer Agent Medallion Program (STAMP).

18. How do I sell my Plan shares?

You can sell some or all of your Plan shares by submitting your sale instructions in writing to the Plan Administrator either by fax, mail or scanned email. The Plan Administrator will, within five business days of receiving such sale instructions, sell such Plan shares and deliver to you the proceeds of such sale, less any brokerage commissions and any other cost of sale. Any full shares and fractional interests in shares may be aggregated and sold with those of other participants who have submitted a sale instruction; provided, that each sale instruction will be processed no later than five business days after the date on which such sale instruction is received by the Plan Administrator. All sale instructions are final when the Plan Administrator receives them. Your sale instructions cannot be stopped or cancelled. There is a \$15.00 fee to process all sale instructions.

The price of the Common Stock fluctuates on a daily basis. The price may rise or fall after you submit your sale instructions and prior to the ultimate sale of your shares. Any decision to purchase or sell shares of Common Stock must be made by the individual Plan participant based upon his or her own research and judgment and the individual participant will bear the risk of fluctuation in value.

19. How do I withdraw from the Plan?

You can withdraw all or a portion of your shares of Common Stock from your Plan at any time by notifying the Plan Administrator in writing by fax or by mail. An account statement for the appropriate number of shares will be mailed to you. Your dividend reinvestment election will continue unless you withdraw all of your Plan shares. If you withdraw all of your shares, your participation in the Plan will be terminated, and future dividends will be paid directly to you.

20. May I later re-elect to participate in the Plan?

Generally, a stockholder who withdraws from the Plan may re-elect to participate at any time. However, the Company and the Plan Administrator reserve the right to reject any enrollment form on any grounds, including but not limited to excessive joining and withdrawing. This reservation is intended to minimize unnecessary administrative expense and to encourage use of the plan as a long-term shareholder investment service.

21. How do I contact the Plan Administrator?

By mail:

Continental Stock Transfer & Trust Company
1 State Street - 30th Floor
New York, NY 10004

By phone:

Fax: 1-212-616-7612 (Dividend Reinvestment)

Tel: 1-800-509-5586

Telephone hours are Monday-Friday, between the hours of 8:30 a.m. and 5:30 p.m. Eastern Time

By Email:

drp@continentalstock.com

22. Certain U.S. federal income tax consequences

This summary of the material U.S. federal income tax consequences of acquiring, holding and disposing of Common Stock pursuant to the Plan is for general information only and is not tax advice. It applies to you only if you are an individual who is a “United States person” (as defined in the Internal Revenue Code of 1986, as amended (the “Code”)), which is generally a citizen or resident of the United States for U.S. federal income tax purposes, and you hold the shares of Common Stock as capital assets (generally, property held for investment). This summary does not address particular circumstances, such as traders that have elected to mark securities to market, persons that hold our shares as part of a straddle, hedge or other integrated investment, or persons subject to alternative minimum tax.

This summary is based on our understanding of the Code, Treasury Regulations promulgated thereunder, rulings and other administrative pronouncements issued by the Internal Revenue Service (the “IRS”) and judicial decisions, all as in effect on the date of the date hereof, and all of which are subject to change and differing interpretations at any time, possibly with retroactive effect. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below. Moreover, this summary does not address any state, local or non-U.S. tax consequences.

Special tax issues may apply to some participants. If you are not an individual and not a U.S. person, this summary may not apply to you. Participants should consult their own tax advisors as to the particular tax consequences of participating in the Plan to them, including the application and effect of U.S. federal, state and local and/or non-U.S. tax laws.

Dividends that you have reinvested by the Plan Administrator for your account in additional shares of Common Stock generally will be treated, for U.S. federal income tax purposes, as cash distributions in the amount of such dividends. Your tax basis in such additional shares of Common Stock purchased pursuant to the Plan generally will equal the cost of the shares purchased in the open market transaction, plus any transaction fees and brokerage commissions paid or deducted in connection therewith.

Distributions of cash on shares of Common Stock (including reinvested amounts that are treated as cash distributions as described in the above paragraph) generally will be treated, for U.S. federal income tax purposes, as dividends to the extent of the Company’s “earnings and profits” (as determined under U.S. federal income tax principles). Any distribution in excess of the Company’s earnings and profits generally will be treated, first, as reducing the adjusted tax basis in your shares of Common Stock to the extent thereof and, thereafter, as gain from the sale or exchange of such shares.

Dividends the Company pays with respect to the Common Stock generally will be qualified dividend income. Qualified dividend income will be taxable to you at a rate equal to the preferential tax rate applicable to long-term capital gains, provided that you hold the shares for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date.

On a sale, exchange or other taxable disposition of shares of Common Stock, you generally will recognize gain or loss equal to the difference, if any, between the amount of cash received and your adjusted tax basis in the shares of Common Stock (including any fractional shares) disposed of. Any such gain or loss generally will be long-term capital gain or loss if your holding period in the shares of Common Stock sold is greater than one year. Long-term capital gains of individuals are generally subject to U.S. federal income tax at preferential rates. The deductibility

of capital losses is subject to limitations. If you acquired different blocks of shares of Common Stock at different times or different prices, you must determine your adjusted tax basis and holding period separately with respect to each block of shares of Common Stock that is disposed. Your tax basis in any share of Common Stock generally will be the amount you paid therefor, which will be the amount of the reinvested dividend, plus any transaction fees and brokerage commissions paid or deducted in connection therewith, for Common Stock purchased pursuant to the dividend reinvestment plan. ***The Company and the Plan Administrator will not calculate your cost basis. We urge you to consult your own tax advisor for assistance with the calculation.***

Individuals (as well as estates or trusts) whose income exceeds certain thresholds generally are also subject to a 3.8% tax on all or a portion of their net investment income. This may include your gross dividend income and net gains from the disposition of shares of Common Stock. You should consult your tax advisor regarding the applicability of this Medicare tax in your particular circumstances.

In general, information reporting, on IRS Form 1099, will apply to payments of dividends and sale proceeds. In addition, under certain circumstances, we or the Plan Administrator may be required to deduct backup withholding (currently, at a rate of 24%) on distributions, regardless of whether those distributions are reinvested, and from proceeds of sales of shares held in your Plan account. To avoid backup withholding, you should complete and return to the Plan Administrator a properly completed and executed IRS Form W-9, providing your taxpayer identification number and certifying under penalties of perjury that you are a “United States person” (as defined in the Code), that the taxpayer identification number you provided is correct, and that you are not subject to backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules can be claimed as a refund or a credit against your federal income tax liability, provided that the required information is timely furnished to the IRS.

You should keep all of your account statements received from the Plan Administrator for U.S. federal, state and local income tax purposes.

OTHER PLAN INFORMATION

Voting Rights

You are entitled to vote the shares of Common Stock held in your account pursuant to the Plan. You will be sent proxy information and other materials relating to shareholder meetings and any other material distributed by the Company to its stockholders. The Plan Administrator will vote your shares held in the Plan according to your instructions on the proxy card properly signed and returned by you.

Stock Splits and Other Distributions

If the Company declares a stock split or stock dividend on the Common Stock, we will credit your account with the appropriate number of shares. Shares will be distributed in book-entry form and those shares will be added to your account.

Changes to the Plan

The Company may add to, modify or terminate the Plan at any time. We will send you written notice of any material changes to the Plan.