

CULLEN FROST BANKERS INC

Form 4

February 17, 2006

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 *
FROST PATRICK B

2. Issuer Name **and** Ticker or Trading
 Symbol
CULLEN FROST BANKERS INC
[CFR]

5. Relationship of Reporting Person(s) to
 Issuer

(Check all applicable)

(Last) (First) (Middle)
100 WEST HOUSTON STREET
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
02/14/2006

☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

SAN ANTONIO, TX 78205

(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. Code (Instr. 8)	4. Securities Acquired 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, \$0.01 par value	02/14/2006		M		34,000	A	\$ 15.13
							165,271
							D
Common Stock, \$0.01 par value	02/14/2006		D		9,454	D	\$ 54.41
							155,817
							D
Common Stock, \$0.01 par value	02/14/2006		M		40,000	A	\$ 33.31
							195,817
							D

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Common Stock, \$0.01 par value	02/14/2006	D	24,485	D	\$ 54.41	171,332	D	
Common Stock, \$0.01 par value	02/14/2006	G	5	D	\$ 0	171,327	D	
Common Stock, \$0.01 par value	02/14/2006	G	5	A	\$ 0	3,855	I	Trustee for Children
Common Stock, \$0.01 par value						630	I ⁽¹⁾	By Spouse
Common Stock, \$0.01 par value						43,582 ⁽²⁾	I	Through Trust
Common Stock, \$0.01 par value						17.69 ⁽³⁾	I	Through Limited Partnership
Common Stock, \$0.01 par value						18,544	I	Through 401(k) Plan

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

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(9-02)

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)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number

Stock Option (right to buy)	\$ 15.13	02/14/2006	M	34,000	10/04/2001	10/04/2006	Common Stock	34,000
Stock Option (right to buy)	\$ 33.31	02/14/2006	M	40,000	10/31/2003	10/31/2006	Common Stock	40,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FROST PATRICK B 100 WEST HOUSTON STREET SAN ANTONIO, TX 78205			X	

Signatures

/s/ Patrick B.
Frost

02/17/2006

__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) Mr. Frost disclaims beneficial ownership of these shares.

Reflects limited partnership ("LP") interests held by a trust of which Mr. Frost is the trustee. The number of shares reported assumes that each LP interest represents a proportionate interest in the shares of common stock in which the LP has a pecuniary interest. Mr. Frost disclaims whether each LP interest represents a proportionate interest in shares of common stock in which the LP has a pecuniary interest.

The number of shares reported assumes each limited liability company ("LLC") interest represents a proportionate interest in the shares of common stock in which the limited liability company has a pecuniary interest. Mr. Frost disclaims whether each LLC interest represents a proportionate interest in shares of common stock in which the LLC has a pecuniary interest.

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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