

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 THOMAS CLAYBORNE

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)  
 02/15/2006

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Senior Chairman

SAN ANTONIO, TX 78205

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

(City) (State) (Zip)

**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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount or Price   |  |   |
| Common Stock, \$0.01 par value  | 02/15/2006                           |  | M                              |   | 7,000 A \$ 33.31  | 8,000  | D   |
| Common Stock, \$0.01 par value  | 02/15/2006                           |  | S                              |   | 7,000 D \$ 54.5424  | 1,000  | D   |
| Common Stock, \$0.01 par value  |                                      |  |                                |   |   | 663,911  | I Through limited partnership (1)                     |

|                                |         |   |                        |
|--------------------------------|---------|---|------------------------|
| Common Stock, \$0.01 par value | 336,992 | I | Through various trusts |
| Common Stock, \$0.01 par value | 49,540  | I | Through 401(k) Plan    |

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (right to buy)                | \$ 33.31   | 02/15/2006                           |  | M                              | 7,000   | 10/31/2001 10/31/2006                                    | Common Stock  | 7,000                         |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                 |       |
|--|---------------|-----------|-----------------|-------|
|  | Director      | 10% Owner | Officer         | Other |
| FROST THOMAS CLAYBORNE<br>100 WEST HOUSTON STREET<br>SAN ANTONIO, TX 78205 | X             |           | Senior Chairman |       |

## Signatures

/s/ Thomas C. Frost  
02/17/2006  
Date

\_\_Signature of  
Reporting Person

## 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 holds interests in and controls the limited partnership through its general partner, a limited liability company of which he is the manager.

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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