

CULLEN FROST BANKERS INC  
 Form 4  
 February 11, 2008

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

OMB APPROVAL

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**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)  
 02/07/2008

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	(A) or (D)	Price			
Common Stock, \$0.01 par value	02/07/2008		G	V	1,129.16	D	\$ 0	656,836.5	I <sup>(1)</sup>	Through Limited Partnership <sup>(2)</sup>
Common Stock, \$0.01 par value	02/08/2008		M		8,000	A	\$ 24.16	9,000	D	
Common Stock, \$0.01 par value	02/08/2008		M		4,000	A	\$ 33.3	13,000	D	

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Common Stock, \$0.01 par value	02/08/2008	M	4,000	A	\$ 38.12	17,000	D	
Common Stock, \$0.01 par value	02/08/2008	M	4,000	A	\$ 47.4	21,000	D	
Common Stock, \$0.01 par value	02/08/2008	M	2,000	A	\$ 50.01	23,000	D	
Common Stock, \$0.01 par value	02/08/2008	S	22,000	D	\$ 54.1645	1,000	D	
Common Stock, \$0.01 par value						336,992	I	Through various trusts
Common Stock, \$0.01 par value						52,463	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 of Shares
	\$ 24.16	02/08/2008		M	8,000	09/22/2001	09/22/2008		8,000

Employee Stock Option (right to buy)	Price	Grant Date	Exercise Date	Expiration Date	Common Stock	Quantity
Employee Stock Option (right to buy)	\$ 33.3	02/08/2008	M	4,000	11/05/2005 11/05/2008	Common Stock 4,000
Employee Stock Option (right to buy)	\$ 38.12	02/08/2008	M	4,000	10/01/2006 10/01/2009	Common Stock 4,000
Employee Stock Option (right to buy)	\$ 47.4	02/08/2008	M	4,000	10/12/2007 10/12/2010	Common Stock 4,000
Employee Stock Option (right to buy)	\$ 50.01	02/08/2008	M	1,000	10/19/2006 10/19/2015	Common Stock 1,000
Employee Stock Option (right to buy)	\$ 50.01	02/08/2008	M	1,000	10/19/2007 10/19/2015	Common Stock 1,000

## Reporting Owners

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

## Signatures

/s/ Thomas C. Frost  
02/11/2008

\*\*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, except to the extent of his pecuniary interest, if any.

(2) Mr. Frost holds, directly and through a trust of which he is the trustee, limited partnership interests in the limited partnership.

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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