

PROSPERITY BANCSHARES INC
 Form 3
 February 08, 2007

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 * Â STRICKLIN L DON (Last) (First) (Middle) 109 NORTH MAIN STREET (Street) LA GRANGE, Â TX Â 78945 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 01/31/2007	3. Issuer Name and Ticker or Trading Symbol PROSPERITY BANCSHARES INC [PRSP]	4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below)	5. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	112,750	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable Expiration Date	Title Amount or Number of			

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				Shares		(I) (Instr. 5)	
Employee Stock Option (right to buy)	Â (1)	09/28/2014	Common Stock	10,000	\$ 17.41 (1)	D	Â
Employee Stock Option (right to buy)	Â (2)	01/26/2016	Common Stock	10,000	\$ 18.65 (2)	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STRICKLIN L DON 109 NORTH MAIN STREET LA GRANGE, TX 78945	Â X	Â	Â	Â

Signatures

/s/ L. Don
Stricklin

02/08/2007

Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(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).

This option, which provided for 33.33% annual vesting over a three year period beginning on September 28, 2005, was assumed by the issuer in the acquisition of Texas United Bancshares, Inc. and converted into an option to purchase 10,000 shares of the issuer's common stock for \$17.41 per share and became fully vested pursuant to the terms of the merger agreement.

This option, which provided for 20% annual vesting over a five year period beginning on January 26, 2007, was assumed by the issuer in the acquisition of Texas United Bancshares, Inc. and converted into an option to purchase 10,000 shares of the issuer's common stock for \$18.65 per share and became fully vested pursuant to the terms of the merger agreement.

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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