

PROSPERITY BANCSHARES INC

Form 4

July 22, 2008

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

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**HOLMES NED S**

2. Issuer Name **and** Ticker or Trading  
Symbol  
**PROSPERITY BANCSHARES INC**  
**[PRSP]**

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
**55 WAUGH DRIVE, SUITE 1111**  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
**07/18/2008**

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

**HOUSTON, TX 77027**

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)
Common Stock	07/18/2008		S <sup>(1)</sup>	V Amount (A) or (D) Price 7,000 D \$ 30.1641	458,205	D	
Common Stock					8,820	I	As trustee of grchildren's trust
Common Stock					186,902 <sup>(2)</sup>	I	By profit sharing plan
Common Stock					27,500	I	As trustee of SSH trust for adult daughter
					27,500	I	

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Common Stock								As trustee of SSH trust for adult daughter
Common Stock					2,480	I		By trust
Common Stock					2,480	I		By trust
Common Stock	07/18/2008	S <sup>(1)</sup>	10,000	D	\$ 30.2229	360,070	I	By limited partnership

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.**

SEC 1474  
(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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
HOLMES NED S 55 WAUGH DRIVE, SUITE 1111 HOUSTON, TX 77027	X

## Signatures

/s/ Peter Fisher, attorney  
in fact 07/22/2008

           \*\*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) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by each of the reporting person and the limited partnership on May 19, 2008.
- (2) Includes 458 shares acquired through the Prosperity Bancshares, Inc. dividend reinvestment plan since the last filing by the reporting person.

### Remarks:

Exhibit List:

### Exhibit 24 - Power of Attorney

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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