



MEMO #: 0242-07

MEMORANDUM

TO: All Option Members, Member Organizations & ROTs
FROM: Listings/Market Watch
DATE: February 1, 2007
RE: **Changes to the KBW Regional Banking Index (KRXSM)**

The Philadelphia Stock Exchange (“PHLX”) has received notification that there will be a change in the outstanding shares of Prosperity Bancshares, Inc. (PRSP), a component of the KRXSM Index. As a result, Keefe, Bruyette & Woods (“KBW”) has determined that the following changes will occur in the KBW Regional Banking Index (KRXSM) prior to the opening of business on Friday, February 2, 2007:

<u>Component</u>	<u>New Float-Adjusted Modified Shares</u>
Prosperity Bancshares, Inc. (PRSP)	112

The revised KRXSM divisor is: 1466.0459

Questions concerning this release may be directed to the Listings/Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-5380.