



MEMO #: 0232-07

MEMORANDUM

TO: All Option Members, Member Organizations & ROTs  
FROM: Listings/Market Watch  
DATE: January 31, 2007  
RE: **Changes to the KBW Regional Banking Index (KRX<sup>SM</sup>)**

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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 KRX<sup>SM</sup> Index. As a result, Keefe, Bruyette & Woods (“KBW”) has determined that the following changes will occur in the KBW Regional Banking Index (KRX<sup>SM</sup>) prior to the opening of business on Friday, February 2, 2007:

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

*\*\*\*Please note that the share amounts are ANTICIPATED and are subject to change prior to the effective date of the aforementioned change.*

**The revised KRX<sup>SM</sup> divisor will be announced on a separate release following the close of business on Thursday, February 1, 2007.**

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