



**Cullen Frost Bankers, Inc.**


**CFR NYSE**

**Banks**

Market Capitalization USD:

**\$2,808.71 mm**

**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

**CEO: Richard W. Evans**

**Age: 65**

**CEO Since: 1997**

	2009	2010	2011
<b>Base Salary</b>	\$800,000	\$800,000	\$830,000
<b>Discretionary Bonus</b>	\$0	\$0	\$0
<b>Annual Cash Incentive</b>	\$0	\$828,000	\$784,350
<b>Benefits and Perquisites</b>	\$269,991	\$307,531	\$235,726
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$1,069,991</b>	<b>\$1,935,531</b>	<b>\$1,850,076</b>
<b>Increase in Post-Retirement Benefits</b>	\$568,482	\$0	\$1,017,415
<b>Stock Option Awards</b>	\$920,410	\$814,722	\$790,640
<b>Stock Awards</b>	\$1,130,285	\$1,170,907	\$1,071,360
<b>TOTAL COMPENSATION</b>	<b>\$3,689,168</b>	<b>\$3,921,160</b>	<b>\$4,729,491</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$1,028,089	\$1,243,262	\$1,190,485
<b>Value Realized on Exercise of Stock Option</b>	\$443,826	\$0	\$0
<b>Value Realized on Vesting of Stock</b>	\$1,014,000	\$1,056,400	\$3,995,680
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$1,457,826</b>	<b>\$1,056,400</b>	<b>\$3,995,680</b>

**Proxy Date:** 19 Mar 2012

**Annual Meeting Date:** 26 Apr 2012

**Equity Reserves:** 11.31%

**Stock Option Run Rate:** 1.28%

# Cullen Frost Bankers, Inc.

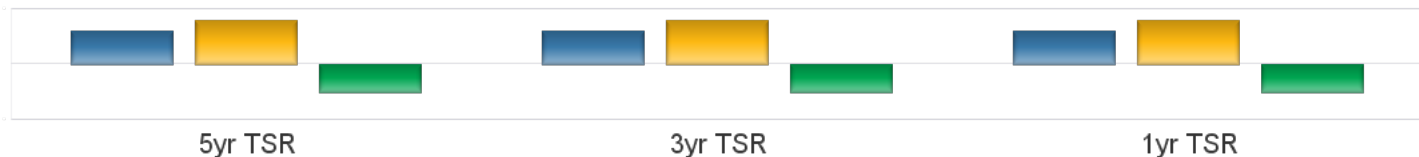
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## Performance Comparison

■ vs S&P500   ■ vs Industry   ■ CFR



## Peer Comparisons (TRBC) =Banks

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
<b>CFR</b>	<b>Cullen Frost Bankers, Inc.</b>	<b>\$3,689,168</b>	<b>\$3,921,160</b>	<b>\$4,729,491</b>	<b>\$2,808,706,889</b>
CIT	CIT Group Inc.	\$1,991,145	\$6,689,145		\$6,092,593,182
KEY	KeyCorp	\$8,152,386	\$7,087,746		\$5,650,454,955
NYB	New York Community Bancorp, Inc.	\$4,941,133	\$5,600,683		\$5,205,377,313
PBCT	People's United Financial, Inc.	\$4,036,842	\$2,877,203	\$3,750,051	\$4,292,148,130
RF	Regions Financial Corporation	\$9,668,729	\$5,115,796		\$4,191,797,340
HBAN	Huntington Bancshares Incorporated	\$1,968,566	\$4,932,472	\$6,445,710	\$4,148,957,126

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps.

Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

Associated Banc-Corp, Commerce Bancshares, Inc., SVB Financial Group, Bancorpsouth Inc., First Horizon National Corp, Synovus Financial Corp., Bank of Hawaii Corporation, Firstmerit Corporation, TCF Financial Corporation, Cathay General Bancorp, Fulton Financial Corporation, Valley National Bancorp, City National Corporation, Susquehanna Bancshares, Inc., Webster Financial Corporation.

### Performance Peer Group

NA

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Royce S. Caldwell	Chairman	73	Male	18	Outside Related
Charles W. Matthews	Member	67	Male	2	Outside
Karen E. Jenninas	Member	61	Female	11	Outside Related
Ruben M. Escobedo	Member	74	Male	16	Outside Related

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