INTERNATIONAL BANCSHARES CORP

Form 4

March 08, 2011

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

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	
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(Print or Type Responses)

1. Name and Address of Reporting Person [*] SANCHEZ ANTONIO R JR	2. Issuer Name **and** Ticker or Trading Symbol INTERNATIONAL BANCSHARES CORP [IBOC]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) __X__ Director __X__ 10% Owner _____ Officer (give title _____ Other (specify below) below)
(Last) (First) (Middle) P.O. BOX 2986	3. Date of Earliest Transaction (Month/Day/Year) 03/04/2011	
(Street) LAREDO, TX 78044	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person ___ Form filed by More than One Reporting Person

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)
			Code	V	Amount	(A) or (D)	Price			
COMMON STOCK	03/04/2011		J[(1)]		225,000	D	$ 0	1,779,184	I	HELD IN PARTNERSHIP
COMMON STOCK	03/04/2011		S[(2)]		77,511	D	$ 18.95	2,689,560	D	
COMMON STOCK	03/04/2011		S[(2)]		84,850	D	$ 18.95	5,345,186	I	HELD IN TRUST
COMMON STOCK	03/04/2011		S[(2)]		121,771	A	$ 18.95	5,466,957 [(5)]	I	HELD IN TRUST
COMMON STOCK	03/07/2011		S[(3)]		130,000	D	$ 18.39	1,649,184	I	HELD IN PARTNERSHIP

| COMMON STOCK | 03/08/2011 | S<u>(4)</u> | 70,000 | D | $ 18.36 <u>(5)</u> | | 1,579,184 | | I | HELD IN PARTNERSHIP |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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. Nu Deriv Secu Bene Own Follo Repo Trans (Instr
									Date Exercisable	Expiration Date	Title	Amount or Number of Shares		
				Code	V	(A)		(D)						

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SANCHEZ ANTONIO R JR P.O. BOX 2986 LAREDO, TX 78044	X	X		

Signatures

/S/ANTONIO R. SANCHEZ JR.	03/08/2011
<u>**</u>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)   On March 4, 2011, a total of 225,000 shares were distributed pro-rata from SANTIG, Ltd. to its limited partners. Of these shares, 84,850 shares were distributed to four trusts for which the reporting person is the sole trustee, 77,511 shares were distributed to the reporting person directly and 62,639 shares were distributed to other limited partners.

(2)   On March 4, 2011, immediately following the pro-rata distribution described in footnote 1 above, in a private transaction, the reporting person transferred the 77,511 shares, and four trusts for which the reporting person is the sole trustee sold the 84,850 shares, each as

described in footnote 1 above, to a fifth trust for which the reporting person is the sole trustee and to a foundation, in satisfaction of certain debt owed to the fifth trust and the foundation by the reporting person and the four trusts. In the transfer, the fifth trust received 121,771 shares and the foundation received 40,590 shares.

(3) This transaction was executed in multiple trades at prices ranging from $18.16 to $18.42. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transaction was effected.

(4) This transaction was executed in multiple trades at prices ranging from $18.04 to $18.70. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transaction was effected.

(5) The reporting person disclaims beneficial ownership of the reported securities except to the extent of pecuniary interests therein, if any.

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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Explanation of Responses: 3