

SOUTHSIDE BANCSHARES INC

Form 4

August 15, 2005

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
Expires: January 31,
2005
Estimated average
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(Print or Type Responses)

1. Name and Address of Reporting Person *
STORY JERYL W

2. Issuer Name **and** Ticker or Trading
Symbol
SOUTHSIDE BANCSHARES INC
[SBSI]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
08/15/2005

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)

Executive Vice President

(Street)

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

(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 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	08/15/2005		M ⁽¹⁾		8,000	A	\$ 4.61	40,318	D
Common Stock	08/15/2005		S ⁽¹⁾		8,000	D	\$ 20.24 ⁽¹⁾	32,318	D
Common Stock	01/03/2005		I ⁽²⁾	V	157.13	A	\$ 5.72	7,701.46	I
Common Stock								67	I
									Joint with Wife

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 Underlying Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive Stock Option (right to buy)	\$ 4.61	08/15/2005		M ⁽¹⁾	8,000	⁽³⁾	02/07/2006	Common Stock	8,000
Incentive Stock Option (right to buy)	\$ 5.71					⁽⁴⁾	06/05/2007	Common Stock	17,000
Incentive Stock Option (right to buy)	\$ 5.79					⁽⁵⁾	08/31/2010	Common Stock	30,000
Incentive Stock Option (right to buy)	\$ 6.27					⁽⁶⁾	06/10/2009	Common Stock	21,000
Incentive Stock Option (right to buy)	\$ 6.49					⁽⁷⁾	10/15/2008	Common Stock	3,940
Non-Qualified Stock Option (right to buy)	\$ 5.79					⁽⁸⁾	08/31/2010	Common Stock	3,440
Non-Qualified Stock Option (right to buy)	\$ 6.27					⁽⁹⁾	06/10/2009	Common Stock	640

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

STORY JERYL W

Executive Vice President

Signatures

Jeryl Story

08/15/2005

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) Mr. Story exercised 8,000 option shares in a cashless transaction on 8-15-05 issued 2-7-96, under the 1993 Incentive Stock Option Plan.
- (2) ESOP allocation for plan year ending 12-31-04.
- (3) Vested 20% per year and became fully exercisable 02/07/2001.
- (4) Vested 20% per year and became fully exercisable 06/05/2002.
- (5) Options vest 20% per year and currently 60% are fully exercisable.
- (6) Options vest 20% per year and currently 80% are fully exercisable.
- (7) Vested 20% per year and became fully exercisable 10/15/2003.
- (8) Non-Qualified Incentive Stock Option became fully exercisable 08/31/01.
- (9) Non-qualified Incentive Stock Option became fully exercisable 06/10/2000.

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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