SOUTHSIDE BANCSHARES INC

Form 4

November 05, 2008

FORM 4

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005

OMB APPROVAL

response...

Estimated average burden hours per 0.5

Form 5 obligations may continue. See Instruction

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

1(b).

(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) 11/05/2008					Director 10% OwnerX Officer (give title 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)	Tabl	e I - No	n-D	erivative	Secur	ities Acq	uired, Disposed o	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year) Execution Date any (Month/Day/Year)		on Date, if	3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or Code V Amount (D) Price			d of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		
Common Stock	11/05/2008			M	•	2,500	(D)	\$ 5	89,811	D	
Common Stock	11/05/2008			M		2,500	A	\$ 5	92,311	D	
Common Stock	11/05/2008			M		2,500	A	\$ 5	94,811	D	
Common Stock	11/05/2008			M		5,000	A	\$ 5	99,811	D	
Common Stock	11/05/2008			M		2,500	A	\$ 5	102,311	D	

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Common Stock	11/05/2008	S	2,500	D	\$ 22.15	99,811	D	
Common Stock	11/05/2008	S	2,500	D	\$ 22.51	97,311	D	
Common Stock	11/05/2008	S	2,500	D	\$ 22.52	94,811	D	
Common Stock	11/05/2008	S	5,000	D	\$ 22.87	89,811	D	
Common Stock	11/05/2008	S	2,500	D	\$ 23.25	87,311	D	
Common Stock						79	I	Joint with Wife
Common Stock						9,559.79	I	by ESOP

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. 5. Number Transaction Derivative Code Securities (Instr. 8) 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive Stock Option (right to buy)	\$ 5	11/05/2008		M	2,500	<u>(1)</u>	08/31/2010	Common Stock	2,500
Incentive Stock Option (right to buy)	\$ 5	11/05/2008		M	2,500	<u>(1)</u>	08/31/2010	Common Stock	2,500

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Incentive Stock Option (right to buy)	\$ 5	11/05/2008	M	2,500	<u>(1)</u>	08/31/2010	Common Stock	2,500
Incentive Stock Option (right to buy)	\$ 5	11/05/2008	M	5,000	<u>(1)</u>	08/31/2010	Common Stock	5,000
Incentive Stock Option (right to buy)	\$ 5	11/05/2008	M	2,500	<u>(1)</u>	08/31/2010	Common Stock	2,500

Reporting Owners

Reporting Owner Name / Address			Relationships		
	Director	10% Owner	Officer	Other	
STORY JERYL W					
			Executive Vice President		

Signatures

Jeryl Story 11/05/2008

**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) Vested 20% per year and became fully exercisable 08/31/2005.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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