

SOUTHSIDE BANCSHARES INC
 Form 4
 September 14, 2005

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 DAWSON CHARLES E

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)
 SOUTHSIDE BANCSHARES INC, 1201 SOUTH BECKHAM
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 09/14/2005

Director 10% Owner
 Officer (give title below) Other (specify below)
 Director, President & Secy.

TYLER, TX 75701

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 (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 Ownership (Instr. 4)
				(A) or (D) Code V Amount Price			
Common Stock	09/14/2005		M ⁽¹⁾	1,400 A \$ 4.61	26,393	D	
Common Stock	09/14/2005		M ⁽¹⁾	1,200 A \$ 4.61	27,593	D	
Common Stock	09/14/2005		M ⁽¹⁾	200 A \$ 4.61	27,793	D	
Common Stock	09/14/2005		M ⁽¹⁾	300 A \$ 4.61	28,093	D	
Common Stock	09/14/2005		M ⁽¹⁾	7 A \$ 4.61	28,100	D	

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Common Stock	09/14/2005	<u>M</u> ⁽¹⁾	300	A	\$ 4.61	28,400	D	
Common Stock	09/14/2005	<u>M</u> ⁽¹⁾	100	A	\$ 4.61	28,500	D	
Common Stock	09/14/2005	<u>M</u> ⁽¹⁾	793	A	\$ 4.61	29,293	D	
Common Stock	09/14/2005	<u>M</u> ⁽¹⁾	1,300	A	\$ 4.61	30,593	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	1,400	D	\$ 19.41 <u>(1)</u>	29,193	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	1,200	D	\$ 19.42 <u>(1)</u>	27,993	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	200	D	\$ 19.81 <u>(1)</u>	27,793	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	300	D	\$ 19.85 <u>(1)</u>	27,493	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	7	D	\$ 19.88 <u>(1)</u>	27,486	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	300	D	\$ 19.9 <u>(1)</u>	27,186	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	100	D	\$ 19.95 <u>(1)</u>	27,086	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	793	D	\$ 19.96 <u>(1)</u>	26,293	D	
Common Stock	09/14/2005	<u>S</u> ⁽¹⁾	1,300	D	\$ 20 <u>(1)</u>	24,993	D	
Common Stock						11,155.42	I	SSB Tr/self Emp S/P
Common Stock						7,590.56	I	by ESOP
Common Stock						2,012.92	I	by Spouse

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

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(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)	Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	1,400	⁽²⁾ 02/07/2006	Common Stock	1,400
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	1,200	⁽²⁾ 02/07/2006	Common Stock	1,200
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	200	⁽²⁾ 02/07/2006	Common Stock	200
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	300	⁽²⁾ 02/07/2006	Common Stock	300
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	7	⁽²⁾ 02/07/2006	Common Stock	7
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	300	⁽²⁾ 02/07/2006	Common Stock	300
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	100	⁽²⁾ 02/07/2006	Common Stock	100
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	793	⁽²⁾ 02/07/2006	Common Stock	793
Incentive Stock Option (right to buy)	\$ 4.61	09/14/2005		M ⁽¹⁾	1,300	⁽²⁾ 02/07/2006	Common Stock	1,300

Incentive Stock Option (right to buy)	\$ 5.71	(3)	06/05/2007	Common Stock	18,6
Incentive Stock Option (right to buy)	\$ 5.79	(4)	08/31/2010	Common Stock	29,7
Incentive Stock Option (right to buy)	\$ 6.27	(5)	06/10/2009	Common Stock	20,7
Incentive Stock Option (right to buy)	\$ 6.49	(6)	10/15/2008	Common Stock	3,94
Non-Qualified Stock Option (right to buy)	\$ 5.79	(7)	08/31/2010	Common Stock	3,74
Non-Qualified Stock Option (right to buy)	\$ 6.27	(8)	06/10/2009	Common Stock	34

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DAWSON CHARLES E SOUTHSIDE BANCSHARES INC 1201 SOUTH BECKHAM TYLER, TX 75701	X		Director, President & Secy.	

Signatures

Charles E. (Sam)
Dawson 09/14/2005

**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. Dawson exercised 5,600 option shares in a cashless transaction on 9-14-05 issued 2-7-96, under the 1993 Incentive Stock Option Plan.
 - (2) Vested 20% per year and became fully exercisable 02/07/2001.
 - (3) Vested 20% per year and became fully exercisable 06/05/2002.
 - (4) Options vest 20% per year and currently 60% are fully exercisable.
 - (5) Options vest 20% per year and currently 80% are fully exercisable.
 - (6) Vested 20% per year and became fully exercisable 10/15/2003.

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(7) Non-Qualified Incentive Stock Option became fully exercisable 08/31/01.

(8) 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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