SOUTHSIDE BANCSHARES INC
Form 4
May 25, 2007

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

OMB Number:	3235-0287
Expires:	January 31, 2005
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(Print or Type Responses)

1. Name and Address of Reporting Person *
HARTLEY BG

(Last) (First) (Middle)

1201 SOUTH BECKHAM

(Street)

TYLER, TX 75701

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
05/23/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Director, COB and CEO

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	05/23/2007		M		20,529	A	$ 5.18	158,036	D	
Common Stock	05/23/2007		M		4,349	A	$ 5.89	162,385	D	
Common Stock	05/23/2007		F		4,932	D	$ 21.56	157,453	D	
Common Stock	05/23/2007		F		1,188	D	$ 21.56	156,265	D	
Common Stock	01/02/2007		I (1)		197.57	A	$ 6.5	2,816.51	I	By ESOP for Spouse

Common Stock	03/30/2007		J[(2)]	85.067	A	$ 22.67	18,497.58	I	By Spouse/Sep. Prop.
Common Stock	01/02/2007		I[(1)]	1,119.49	A	$ 6.5	15,964.34	I	By ESOP

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

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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 Amour Underlying Securit (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Sh
Incentive Stock Option (right to buy)	$ 5.18	05/23/2007		M[(3)]			20,529	[(3)]	06/05/2007	Common Stock	20,
Incentive Stock Option (right to buy)	$ 5.25							[(5)]	08/31/2010	Common Stock	43,
Incentive Stock Option (right to buy)	$ 5.69							[(6)]	06/10/2009	Common Stock	22,
Incentive Stock Option (right to buy)	$ 5.89	05/23/2007		M[(4)]			4,349	[(4)]	10/15/2008	Common Stock	4,3
Non-Qualified Stock Option (right to buy)	$ 5.25							[(7)]	08/31/2010	Common Stock	8,4
Non-Qualified Stock Option (right to buy)	$ 5.69							[(8)]	06/10/2009	Common Stock	38

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HARTLEY BG 1201 SOUTH BECKHAM TYLER, TX 75701	X		Director, COB and CEO	

Signatures

B.G. Hartley	05/25/2007
**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) ESOP allocation for plan year ending 12/31/2006.

(2) Shares acquired pursuant to Southside Bancshares, Inc. Dividend Reinvestment Plan.

(3) Vested 20% per year and became fullly exercisable 6/05/1997

(4) Vested 20% per year and became fullly exercisable 10/15/1998.

(5) Vested 20% per year and became fullly exercisable 8/31/2005.

(6) Vested 20% per year and became fullly exercisable 6/10/2004.

(7) Non-Qualified Incentive Stock Option became fully exercisable 8/31/2005.

(8) Non-Qualified Incentive Stock Option became fully exercisable 6/10/2004.

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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