

SOUTHSIDE BANCSHARES INC  
 Form 4  
 March 24, 2005

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
**HARTLEY BG**

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

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Director, COB & CEO

(Last) (First) (Middle)  
**SOUTHSIDE BANCSHARES INC, 1201 SOUTH BECKHAM**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**03/24/2005**

**TYLER, TX 75701**  
 (City) (State) (Zip)

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

**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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock                    | 03/24/2005                           |  | M <sup>(1)</sup>               | V 14,406 A  | \$ 3.52 105,620   | D  |   |
| Common Stock                    | 01/03/2005                           |  | I <sup>(2)</sup>               | V 50.1 A  | \$ 5.77 2,437.36  | I  | By ESOP for Spouse                                    |
| Common Stock                    | 01/03/2005                           |  | I <sup>(2)</sup>               | V 279.11 A  | \$ 5.66 13,818.75   | I  | by ESOP   |
| Common Stock                    |                                      |  |                                |   | 15,999.07   | I  | By Spouse/Sep. Prop.                                  |

Edgar Filing: SOUTHSIDE BANCSHARES INC - Form 4

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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 Security (Instr. 3 and 4) | Amount or Number of Shares |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                      | Amount or Number of Shares |
| Incentive Stock Option (right to buy)      | \$ 3.52  | 03/24/2005                           |  | M <sup>(1)</sup>               | 14,406  | <u>(3)</u>   | 06/22/2005  | Common Stock               | 14,406                     |
| Incentive Stock Option (right to buy)      | \$ 4.61  |                                      |  |                                |   | <u>(4)</u>   | 02/07/2006  | Common Stock               | 32,000                     |
| Incentive Stock Option (right to buy)      | \$ 5.71  |                                      |  |                                |   | <u>(5)</u>   | 06/05/2007  | Common Stock               | 18,000                     |
| Incentive Stock Option (right to buy)      | \$ 5.79  |                                      |  |                                |   | <u>(6)</u>   | 08/31/2010  | Common Stock               | 39,000                     |
| Incentive Stock Option (right to buy)      | \$ 6.27  |                                      |  |                                |   | <u>(7)</u>   | 06/10/2009  | Common Stock               | 20,000                     |
| Incentive Stock Option (right to buy)      | \$ 6.49  |                                      |  |                                |   | <u>(8)</u>   | 10/15/2008  | Common Stock               | 3,900                      |
| Non-Qualified Stock Option (right to buy)  | \$ 5.79  |                                      |  |                                |   | <u>(9)</u>   | 08/31/2010  | Common Stock               | 7,600                      |
| Non-Qualified Stock Option (right to buy)  | \$ 6.27  |                                      |  |                                |   | <u>(10)</u>  | 06/10/2009  | Common Stock               | 34,000                     |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                     |       |
|---|---------------|-----------|---------------------|-------|
|   | Director      | 10% Owner | Officer             | Other |
| HARTLEY BG<br>SOUTHSIDE BANCSHARES INC<br>1201 SOUTH BECKHAM<br>TYLER, TX 75701 | X             |           | Director, COB & CEO |       |

## Signatures

B. G. Hartley                      03/24/2005

          Signature of                      Date  
Reporting Person

## 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) B. G. Hartley exercised all of his options to purchase and hold 14,406 shares on 3-24-05. These option shares would come from the option shares issued June 22, 1995 under the 1993 Stock Option Plan.
- (2) ESOP allocation for plan year ending 12-31-04.
- (3) Options were fully vested on June 22, 2000.
- (4) Vested 20% per year and became fully exercisable 02/07/2001.
- (5) Vested 20% per year and became fully exercisable 06/05/2002.
- (6) Options vest 20% per year and currently 60% are fully exercisable.
- (7) Options vest 20% per year and currently 80% are fully exercisable.
- (8) Vested 20% per year and became fully exercisable 10/15/2003.
- (9) Non-qualified Incentive Stock Option became fully exercisable 08/31/2002.
- (10) 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. 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.