

SOUTHSIDE BANCSHARES INC
 Form 4
 March 23, 2009

FORM 4

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

OMB APPROVAL

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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 *
GIBSON LEE R

(Last) (First) (Middle)

**SOUTHSIDE BANCSHARES
 INC, 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)
03/20/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Vice President

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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	03/20/2009		M	789	A \$ 5.42	1,350	D
Common Stock	03/20/2009		S	789	D \$ 18.43	561	D
Common Stock	03/20/2009		M	400	A \$ 5.42	961	D
Common Stock	03/20/2009		S	400	D \$ 18.44	561	D
Common Stock	03/20/2009		M	311	A \$ 5.42	872	D

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Common Stock	03/20/2009	S	311	D	\$ 18.45	561	D
Common Stock	03/20/2009	M	757	A	\$ 5.42	1,318	D
Common Stock	03/20/2009	S	757	D	\$ 18.48	561	D
Common Stock	03/20/2009	M	743	A	\$ 5.42	1,304	D
Common Stock	03/20/2009	S	743	D	\$ 18.5	561	D
Common Stock						9,508.63	I by ESOP

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)	8. Price or Number of Shares
Incentive Stock Option (right to buy)	\$ 5.42	03/20/2009		M	789	<u>(1)</u> 06/10/2009	Common Stock	789
Incentive Stock Option (right to buy)	\$ 5.42	03/20/2009		M	400	<u>(1)</u> 06/10/2009	Common Stock	400
	\$ 5.42	03/20/2009		M	311	<u>(1)</u> 06/10/2009		311

Incentive
Stock
Option
(right to
buy)

Common
Stock

Incentive
Stock
Option
(right to
buy)

\$ 5.42

03/20/2009

M

757

(1)

06/10/2009

Common
Stock

757

\$

Incentive
Stock
Option
(right to
buy)

\$ 5.42

03/20/2009

M

743

(1)

06/10/2009

Common
Stock

743

\$

Reporting Owners

Reporting Owner Name / Address

Relationships

Director

10% Owner

Officer

Other

GIBSON LEE R
SOUTHSIDE BANCSHARES INC
1201 SOUTH BECKHAM
TYLER, TX 75701

Executive Vice President

Signatures

Lee R. Gibson

03/23/2009

**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 06/10/2004.

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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