

BROWN ROBERT C MD
Form 4
January 06, 2011

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 *
BROWN ROBERT C MD

2. Issuer Name and Ticker or Trading Symbol
LSB INDUSTRIES INC [LXU]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
16 SOUTH PENNSYLVANIA AVENUE

3. Date of Earliest Transaction (Month/Day/Year)
01/05/2011

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

(Street)

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

OKLAHOMA CITY, OK 73107

(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) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|--------|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 01/05/2011 | | S | | 30,000 | D | \$ 25 | 31,160 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 01/05/2011 | | S | | 18,442 | D | \$ 25 | 0 | I | By RCB, M.D., Inc. Profit Shring Plan ⁽²⁾ ⁽³⁾ |
| Common Stock | | | | | | | | 50,727 | I | By RCB, M.D., Inc. ⁽³⁾ |

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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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Nonqualified Stock Option (4) | \$ 7.86 | | | | | (4) 11/13/2018 | Common Stock | 5,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| BROWN ROBERT C MD 16 SOUTH PENNSYLVANIA AVENUE OKLAHOMA CITY, OK 73107 | | X | | |

Signatures

Robert C. Brown, M.D. 01/06/2011

**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) These shares were sold pursuant to a Rule 10b5-1 sales plan, dated March 15, 2010. These shares are held in a joint account owned by the Robert C. Brown Rev. Trust, DTD 08/27/99, of which the reporting person is settlor and trustee and the Zelda F. Brown Rev. Trust, DTD 08/27/99, of which the reporting person's spouse is settlor and trustee. This amount includes 1,644 shares which were transferred from the Robert C. Brown, M.D., Inc. Employee Profit Sharing Plan to the Robert C. Brown Rev. Trust, DTD 08/27/99 on December 17, 2008.

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- (2) These shares were sold pursuant to a Rule 10b5-1 sales plan, dated March 15, 2010. Dr. Brown is trustee of the Robert C. Brown, M.D., Inc. Employee Profit Sharing Plan and has a vested interest in the income or corpus of the trust.

Dr. Brown's pecuniary interest in the issuer's common stock held by the Robert C. Brown, M.D., Inc. ("RCB M.D., Inc.") Employee

- (3) Profit Sharing Plan and by RCB M.D., Inc. was last reported in the Schedule 14A Proxy Statement filed by the issuer on May 10, 2010, and the Form 4 filed by Dr. Brown on December 29, 2003.

Nonqualified Stock Option ("NQSO") granted by the Issuer to the reporting person under the Issuer's 2008 Incentive Stock Plan. The

- (4) NQSO is for a term of ten years from November 13, 2008, the date of grant, and the exercise price of the NQSO is based on the fair market value of the Issuer's common stock on the date of grant. This NQSO vests at the end of years one through six in the following amounts: 16.5%, 16.5%, 16.5%, 16.5%, 16.5% and 17.5%. This NQSO will be fully vested at the end of year six.

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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