

LSB INDUSTRIES INC
Form 4
September 27, 2007

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 *
GOLSEN JACK E

(Last) (First) (Middle)

16 SOUTH PENNSYLVANIA AVENUE

(Street)

OKLAHOMA CITY, OK 73107

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
09/25/2007

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)

Chairman of the Board and CEO

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 | 01/15/2007 | | J ⁽¹⁾ | V A | 458,726 \$ 0 458,726 | I | As Trustee ⁽¹⁾ |
| Common Stock | 05/29/2007 | | G ⁽⁶⁾ | V D | 838,747 \$ 0 0 | I | By Spouse's Trust ⁽²⁾ |
| Common Stock | 05/29/2007 | | G ⁽⁶⁾ | V A | 838,747 \$ 0 838,747 | I | By GFLLC ⁽³⁾ |
| Common Stock | 05/29/2007 | | G ⁽⁷⁾ | V A | 28,529 \$ 0 867,276 | I | By GFLLC ⁽³⁾ |

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| | | | | | | | | | |
|--------------|------------|------------------|---|--------|---|----------|-----------|---|-----------------|
| Common Stock | 05/29/2007 | G ⁽⁷⁾ | V | 28,529 | D | \$ 0 | 40,000 | I | By Trust (4) |
| Common Stock | 06/19/2007 | G | V | 10,000 | D | \$ 0 | 30,000 | I | By Trust (4) |
| Common Stock | 08/09/2007 | G | V | 4,650 | D | \$ 0 | 25,350 | I | By Trust (4) |
| Common Stock | 09/25/2007 | S ⁽⁸⁾ | | 8,950 | D | \$ 24 | 16,400 | I | By Trust (4) |
| Common Stock | 09/25/2007 | S ⁽⁸⁾ | | 10,586 | D | \$ 24.01 | 5,814 | I | By Trust (4) |
| Common Stock | 09/25/2007 | S ⁽⁸⁾ | | 14 | D | \$ 24.02 | 5,800 | I | By Trust (4) |
| Common Stock | 09/25/2007 | S ⁽⁸⁾ | | 48 | D | \$ 24.03 | 5,752 | I | By Trust (4) |
| Common Stock | 09/25/2007 | S ⁽⁸⁾ | | 5,000 | D | \$ 24.05 | 752 | I | By Trust (4) |
| Common Stock | 09/25/2007 | S ⁽⁸⁾ | | 300 | D | \$ 24.08 | 452 | I | By Trust (4) |
| Common Stock | 09/25/2007 | S ⁽⁸⁾ | | 452 | D | \$ 24.09 | 0 | I | By Trust (4) |
| Common Stock | | | | | | | 1,796,054 | I | By SBL (5) |

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.

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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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount of Number of Shares |
| Series B Preferred | (10) | 05/29/2007 | | G ⁽⁷⁾ | V 4,000 | (10) (10) | Common Stock 133,333 |
| Series B Preferred | (10) | 05/29/2007 | | G ⁽⁷⁾ | V 4,000 | (10) (10) | Common Stock 133,333 |

| | | | | | |
|--------------------|------|------|------|--------------|---------|
| Series B Preferred | (10) | (10) | (10) | Common Stock | 533,333 |
| Series D Preferred | (11) | (11) | (11) | Common Stock | 250,000 |
| Promissory Note | (9) | (9) | (9) | Common Stock | 4,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| GOLSEN JACK E 16 SOUTH PENNSYLVANIA AVENUE OKLAHOMA CITY, OK 73107 | X | X | Chairman of the Board and CEO | |

Signatures

Jack E. Golsen 09/27/2007
 **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) These shares are held by ten trusts established for the benefit of the children, grandchildren and a great-grandchild (the "Trusts") of the reporting person, of which the reporting person is the trustee. Effective January 15, 2007, the reporting person became the sole trustee of the Trusts. The amount shown is the aggregate number of shares held in the Trusts. As trustee, the reporting person possesses voting and dispositive power over the Issuer securities held in the Trusts, but holds no pecuniary interest in the securities held by the Trusts and disclaims beneficial ownership of the shares held in the Trusts.
 - (2) These shares are beneficially owned by the revocable trust of the reporting person's spouse, Sylvia H. Golsen, of which the reporting person's spouse is the settlor and trustee.
 Golsen Family LLC ("GFLLC") is owned by Jack E. Golsen, chief executive officer and chairman of the board of the Issuer, through his revocable trust (45.9%), his spouse, Sylvia Golsen through her revocable trust (45.9%), his sons, Barry H. Golsen, director and the president of the Issuer (2.7%), and Steven J. Golsen, executive officer of a subsidiary of the Issuer (2.7%), and his daughter (2.7%). The reporting person disclaims beneficial ownership of the Issuer securities held by GFLLC, except to the extent of his pecuniary interest therein.
 - (4) These shares are owned of record by the Jack E. Golsen 1992 Revocable Trust, of which the reporting person is the settlor and trustee.
 SBL, LLC (f/k/a SBL Corporation) ("SBL") is owned by GFLLC (49% owner), Barry Golsen (17% owner), Steven Golsen (17% owner), and Linda Rappaport (17% owner). Golsen Petroleum Corporation ("GPC") is a wholly owned subsidiary of SBL. The amount shown in Table I includes 1,512,099 shares owned by SBL and 283,955 shares owned directly by GPC, and the amount shown in Table II includes 12,000 shares of the Issuer's Series B Preferred owned by SBL and 4,000 shares of the Issuer's Series B Preferred owned directly by GPC. Voting and dispositive power over the securities held by SBL and GPC is possessed by Jack E. Golsen, who is the chief executive officer and chairman of the board of the Issuer, and Barry H. Golsen, a director and the president of the Issuer.
 - (6) A contribution to GFLLC by the reporting person's spouse, Sylvia H. Golsen. *See* footnote (3) regarding the ownership of GFLLC.
 - (7) A contribution by the reporting person to GFLLC, of which the reporting person and his spouse are managers and, in such capacity, share voting and dispositive power over the securities owned by GFLLC. *See* footnote (3) regarding the ownership of GFLLC.
 - (8) These shares were sold pursuant to a Rule 10b5-1 Sales Plan adopted on May 15, 2007.

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- (9) The reporting person holds a note from the Issuer payable on demand and convertible, at the option of the reporting person, at the rate of \$2.00 for each share of common stock. The principal amount of the note is \$8,000.
- (10) Each share of the Issuer's Series "B" 12% Cumulative Preferred Stock is convertible, at the option of the reporting person, into 33.3333 shares of the Issuer's common stock. Each share is convertible as long as such is outstanding.
- (11) The Company's Series "D" 6% Cumulative, Convertible Class C Preferred Stock is convertible at the option of the reporting person into the Issuer's common stock at the rate of four shares of Preferred "D" for one share of common stock. Each share is convertible as long as such is outstanding.

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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