

SHEAR HEIDI L BROWN
Form 4
August 29, 2008

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 *
SHEAR DAVID MICHAEL

(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)
08/27/2008

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)
Senior VP/General Counsel/Sec

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)
			Code	V Amount or Price (A) or (D) (3)			
Common Stock	08/27/2008		S ⁽²⁾	2,500 D ⁽²⁾ \$ 23.5 ⁽³⁾	102,581	I	By Trusts ⁽¹⁾
Common Stock	08/28/2008		S ⁽²⁾	7,000 D ⁽²⁾ \$ 23.55 ⁽³⁾	95,581	I	By Trusts ⁽¹⁾
Common Stock	08/28/2008		S ⁽⁴⁾	3,141 D ⁽⁴⁾ \$ 24	10,847	I	As Trustee ⁽⁴⁾
Common Stock	08/29/2008		S ⁽⁴⁾	1,859 D ⁽⁴⁾ \$ 24	8,988	I	As Trustee ⁽⁴⁾

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 Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHEAR DAVID MICHAEL 16 SOUTH PENNSYLVANIA AVENUE OKLAHOMA CITY, OK 73107			Senior VP/General Counsel/Sec	
SHEAR HEIDI L BROWN 16 SOUTH PENNSYLVANIA AVENUE OKLAHOMA CITY, OK 73107			VP/Managing Counsel/Asst Sec	

Signatures

David Michael
Shear 08/29/2008
**Signature of Reporting Person Date

Heidi Brown
Shear 08/29/2008
**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)

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The designated reporting person is David M. Shear. Mr. Shear's spouse, Heidi L. Brown Shear, jointly files this report with Mr. Shear. Heidi Shear is Vice President, Managing Counsel and Assistant Secretary of the Issuer. These shares are held in an account jointly owned by David Shear's revocable trust, of which he is settlor and trustee, and Heidi Shear's revocable trust, of which she is settlor and trustee. This amount does not include, and David Shear disclaims beneficial ownership of 8,988 shares held by two trusts established for the benefit of each of the reporting persons' children. Please see footnote (4) for a description of the children's trusts.

- (2) These shares were sold pursuant to a Rule 10b5-1 Sales Plan adopted on March 14, 2008.

On August 27, 2008, in a single transaction, the reporting persons sold through their revocable trusts 2,500 shares of the Issuer's common stock at \$23.50 per share. On August 28, 2008, the reporting persons sold through their revocable trusts a total of 7,000 shares of the

- (3) Issuer's common stock at the weighted average price per share of \$23.55, which is based on the following sales of the Issuer's common stock at the respective price per share: (a) \$23.50 - 2,500 shares, (b) \$23.52 - 600 shares, (c) \$23.53 - 300 shares, and (d) \$23.60 - 3,600 shares.

These shares are held by two trusts established for the benefit of each of the reporting persons' children, of which Heidi Shear is the

- (4) trustee and exercises investment and dispositive control over the trusts' portfolio securities. On August 28, 2008, and August 29, 2008, pursuant to a Rule 10b5-1 Sales Plan adopted on March 14, 2008, one child's trust sold 3,141 shares and 1,859 shares, respectively.

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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