

LSB INDUSTRIES INC  
Form 4  
March 09, 2011

**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 \*  
SBL, LLC

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)  
P O BOX 705  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
03/07/2011

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

OKLAHOMA CITY, OK 73102  
(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 Ownership (Instr. 4)
Common Stock				(A) or (D) Price	1,886,054	D <u>(1)</u> <u>(2)</u>	

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

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
5.5% Convertible Debentures <u>(3)</u>		03/07/2011		S	\$ 2,000,000 <u>(3)</u>	<u>(3)</u>	07/01/2012	Common Stock	72,000
Series B Preferred <u>(4)</u>						<u>(4)</u>	<u>(4)</u>	Common Stock	533,000
Series D Preferred <u>(5)</u>						<u>(5)</u>	<u>(5)</u>	Common Stock	250,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SBL, LLC P O BOX 705 OKLAHOMA CITY, OK 73102			X	

Signatures

Jack E Golsen,  
Manager 03/09/2011  
 \*\*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).
- SBL, LLC ("SBL") is owned by Golsen Family, L.L.C. ("GFLLC") (49%), Barry Golsen, a director and the president of the Issuer (17%), Steven Golsen, executive officer of a subsidiary of the Issuer (17%), and Jack E. Golsen's daughter, Linda F. Rappaport (17%). Golsen Petroleum Corporation ("GPC") is a wholly owned subsidiary of SBL. The amount shown in Table I includes 1,602,099 shares owned by
- (1) 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.
  - (2) GFLLC is owned by Jack E. Golsen, chief executive officer and chairman of the board of the Issuer, through his revocable trust (45.923%), his spouse, Sylvia Golsen through her revocable trust (45.923%), his sons, Barry Golsen (2.718%), and Steven Golsen (2.718%), and his daughter, Linda Rappaport (2.718%).
  - (3) The Issuer's 5.5% Convertible Senior Subordinated Debentures due 2012 (the "Debentures") are convertible at any time at the option of the holder in whole or in part into the Issuer's common stock prior to their maturity. The conversion rate of the Debentures is 36.4 shares of the Issuer's common stock per \$1,000 principal amount of Debentures (representing a conversion price of \$27.47 per share of common stock), subject to adjustment under certain conditions as set forth in the Indenture, dated June 28, 2007 (the "Indenture"), by the Issuer in favor of UMB Bank, N.A., as Trustee, filed as Exhibit 4.2 to the Issuer's Form 8-K on June 29, 2007. The Debentures bear interest at the

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rate of 5.5% per year and mature on July 1, 2012.

- (4) Each share of the Issuer's Series "B" 12% Cumulative Preferred Stock is convertible, at the option of the holder into 33.3333 shares of the Issuer's common stock. Each share is convertible as long as such is outstanding.

- (5) The Issuer's Series "D" 6% Cumulative, Convertible Class C Preferred Stock is convertible at the option of the holder 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.

- (6) In addition to the aggregate amount shown, SBL received \$21,083.33 for 69 days of accrued interest for the \$2,000,000 in Debentures sold.

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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