#### MUNSON DONALD W

Form 4

November 21, 2008

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB

**OMB APPROVAL** 

Number:

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if no longer subject to Section 16. Form 4 or

Check this box

Form 5 obligations may continue.

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

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person \* MUNSON DONALD W

2. Issuer Name and Ticker or Trading

Symbol

LSB INDUSTRIES INC [LXU]

3. Date of Earliest Transaction

(Month/Day/Year)

11/13/2008

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

below)

(First)

(Middle)

(Zip)

Director Officer (give title below)

10% Owner Other (specify

3 WILLOWBANK, LOWER HAMPTON ROAD

(Street)

(State)

(City)

(Last)

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check Applicable Line)

Filed(Month/Day/Year)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

SUNBURY-ON-THAMES, X0 TW165PQ

1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3) (Month/Day/Year)

4. Securities 3. TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following Reported Transaction(s)

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Indirect (I) Ownership (Instr. 4) (Instr. 4)

Common

Stock

or Code V Amount (D) Price

(A)

(Instr. 3 and 4)

6,740

D

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

### Edgar Filing: MUNSON DONALD W - Form 4

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. Transacti Code (Instr. 8)	5. Number one 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 A Underlying S (Instr. 3 and	Securities
				Code V	(A) (		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Nonqualified Stock Option (1)	\$ 7.86	11/13/2008		A	5,000		<u>(1)</u>	11/13/2018	Common Stock	5,000

## **Reporting Owners**

Reporting Owner Name / Address

Director 10% Owner Officer Other

MUNSON DONALD W

3 WILLOWBANK

3 WILLOWBANK LOWER HAMPTON ROAD SUNBURY-ON-THAMES, X0 TW165PQ

# **Signatures**

Donald W.

Munson 11/21/2008

\*\*Signature of Person 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).

Nonqualified Stock Option ("NQSO") granted by the Issuer to the reporting person under the Issuer's 2008 Incentive Stock Plan. The NQSO is for a term of ten years from 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporting Owners 2