

BANNISTER DAVID G/
Form 4
April 28, 2010

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 *
BANNISTER DAVID G/

2. Issuer Name and Ticker or Trading Symbol
LANDSTAR SYSTEM INC [LSTR]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
13410 SUTTON PARK DRIVE
SOUTH

3. Date of Earliest Transaction
(Month/Day/Year)
04/26/2010

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

(Street)
JACKSONVILLE, FL 32224

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

(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 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)
			Code	V	Amount or Price		
Common Stock	04/26/2010		M		27,000 A \$ 12.9738	45,680	D
Common Stock	04/26/2010		F		7,766 (1) D \$ 45.11	37,914	D
Common Stock	04/28/2010		S		19,234 D \$ 44.6261 (2)	18,680	D

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

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SEC 1474 (9-02)

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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. Amount or Number of Shares
Stock Options (Right to Buy)	\$ 12.9738	04/26/2010		M	27,000	(3) 05/12/2012	Common Stock	27,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

BANNISTER DAVID G/
13410 SUTTON PARK DRIVE SOUTH X
JACKSONVILLE, FL 32224

Signatures

/s/ L. Kevin Stout,
attorney-in-fact 04/28/2010

**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) Represents shares withheld to pay the exercise price for options exercised.

The price reported is the weighted average sale price for the transactions reported. The prices received range from \$44.47 to \$44.75. The

(2) reporting person will provide to the issuer, a security holder of the issuer, or the SEC staff, upon request, full information regarding the number of shares sold at each price within the range.

(3) Options became exercisable as to 3,000 shares on 05/12/2004 and 24,000 shares on 05/12/2005.

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.