

LSB INDUSTRIES INC
Form SC 13D/A
March 25, 2011
CUSIP NO. 5021600-10-4

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934
(Amendment No. 43)

LSB INDUSTRIES, INC.

(Name of Issuer)

COMMON STOCK, PAR VALUE \$.10

(Title of Class of Securities)

5021600-10-4

(CUSIP Number)

Jack E. Golsen
16 South Pennsylvania
Oklahoma City, Oklahoma 73107
(405) 235-4546

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

March 7, 2011

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of his Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f), or 240.13d-1(g) Rule 13d-1(b)(3) or (4), check the following box. []

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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(1) Names of Reporting Persons, I.R.S. Identification, No. of above Persons (entities only)	Jack E. Golsen
(2) Check the Appropriate Box if a Member of a Group (See Instructions)	(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
(3) SEC Use Only	
(4) Source of Funds (See Instructions)	Not applicable
(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)	
(6) Citizenship or Place of Organization	USA
(7) Sole Voting Power	467,726
Number of Shares (8) Shared Voting Power Beneficially	3,359,496
Owned by Each (9) Sole Dispositive Power Reporting Person	467,726
With: (10) Shared Dispositive Power	3,359,496
(11) Aggregate Amount Beneficially Owned by Each Reporting Person	3,827,222
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	<input checked="" type="checkbox"/>
(13) Percent of Class Represented by Amount in Row (11)	17.22%
(14) Type of Reporting Person (See Instructions)	IN

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(1) Names of Reporting Persons, I.R.S. Identification No. of above Sylvia H. Golsen Persons (entities only)		
(2) Check the Appropriate Box if a Member of a Group (See Instructions)	(a) <input type="checkbox"/>	(b) <input checked="" type="checkbox"/>
(3) SEC Use Only		
(4) Source of Funds (See Instructions)	Not applicable	
(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)		
(6) Citizenship or Place of Organization	USA	
(7) Sole Voting Power	-	
Number of Shares Beneficially Owned by Each Reporting Person	(8) Shared Voting Power	1,930,980
Owned by Each Reporting Person	(9) Sole Dispositive Power	-
With:	(10) Shared Dispositive Power	1,930,980
(11) Aggregate Amount Beneficially Owned by Each Reporting Person	1,930,980	
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	<input checked="" type="checkbox"/>	
(13) Percent of Class Represented by Amount in Row (11)	8.88%	
(14) Type of Reporting Person (See Instructions)	IN	

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(1) Names of Reporting Persons, I.R.S. Identification No. of above Barry H. Golsen Persons (entities only)		
(2) Check the Appropriate Box if a Member of a Group (See Instructions)	(a) <input type="checkbox"/>	(b) <input checked="" type="checkbox"/>
(3) SEC Use Only		
(4) Source of Funds (See Instructions)	Not applicable	
(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)		
(6) Citizenship or Place of Organization	USA	
(7) Sole Voting Power	277,889	
Number of Shares (8) Shared Voting Power Beneficially Owned by Each Reporting Person	2,767,576	
(9) Sole Dispositive Power	277,889	
With: (10) Shared Dispositive Power	2,767,576	
(11) Aggregate Amount Beneficially Owned by Each Reporting Person	3,045,465	
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	<input checked="" type="checkbox"/>	
(13) Percent of Class Represented by Amount in Row (11)	13.78%	
(14) Type of Reporting Person (See Instructions)	IN	

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(1) Names of Reporting Persons, I.R.S. Identification No. of above Steven J. Golsen Persons (entities only)		
(2) Check the Appropriate Box if a Member of a Group (See Instructions)	(a) <input type="checkbox"/>	(b) <input checked="" type="checkbox"/>
(3) SEC Use Only		
(4) Source of Funds (See Instructions)	Not applicable	
(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)		
(6) Citizenship or Place of Organization	USA	
	(7) Sole Voting Power	248,915
Number of Shares Beneficially Owned by Each Reporting Person	(8) Shared Voting Power	249,648
	(9) Sole Dispositive Power	248,915
With:	(10) Shared Dispositive Power	549,648
(11) Aggregate Amount Beneficially Owned by Each Reporting Person	798,563	
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	<input checked="" type="checkbox"/>	
(13) Percent of Class Represented by Amount in Row (11)	3.74%	
(14) Type of Reporting Person (See Instructions)	IN	

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(1) Names of Reporting Persons, I.R.S. Identification No. of above Linda F. Rappaport Persons (entities only)		
(2) Check the Appropriate Box if a Member of a Group (See Instructions)	(a) <input type="checkbox"/>	(b) <input checked="" type="checkbox"/>
(3) SEC Use Only		
(4) Source of Funds (See Instructions)	Not Applicable	
(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)		
(6) Citizenship or Place of Organization	USA	
(7) Sole Voting Power	0	
Number of Shares Beneficially Owned by Each Reporting Person	(8) Shared Voting Power	681,081
With:	(9) Sole Dispositive Power	0
	(10) Shared Dispositive Power	681,081
(11) Aggregate Amount Beneficially Owned by Each Reporting Person	681,081	
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	<input checked="" type="checkbox"/>	
(13) Percent of Class Represented by Amount in Row (11)	3.19%	
(14) Type of Reporting Person (See Instructions)	IN	

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(1) Names of Reporting Persons, I.R.S. Identification No. of above Persons (entities only)	Golsen Family, L.L.C. 20-8234753
(2) Check the Appropriate Box if a Member of a Group (See Instructions)	(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
(3) SEC Use Only	
(4) Source of Funds (See Instructions)	Not applicable
(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)	
(6) Citizenship or Place of Organization	Oklahoma
(7) Sole Voting Power	0
Number of Shares Beneficially Owned by Each Reporting Person	(8) Shared Voting Power 1,930,980
Owned by Each Reporting Person	(9) Sole Dispositive Power 0
With:	(10) Shared Dispositive Power 1,930,890
(11) Aggregate Amount Beneficially Owned by Each Reporting Person	1,930,980
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	<input checked="" type="checkbox"/>
(13) Percent of Class Represented by Amount in Row (11)	8.88%
(14) Type of Reporting Person (See Instructions)	OO

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(1) Names of Reporting Persons, I.R.S. Identification No. of above SBL, L.L.C. Persons (entities only)		
(2) Check the Appropriate Box if a Member of a Group (See Instructions)	(a) <input type="checkbox"/>	(b) <input checked="" type="checkbox"/>
(3) SEC Use Only		
(4) Source of Funds (See Instructions)	Not Applicable	
(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)		
(6) Citizenship or Place of Organization	Oklahoma	
(7) Sole Voting Power	-	
Number of Shares Beneficially Owned by Each Reporting Person	(8) Shared Voting Power	2,742,187
With:	(9) Sole Dispositive Power	-
	(10) Shared Dispositive Power	2,742,187
(11) Aggregate Amount Beneficially Owned by Each Reporting Person	2,742,187	
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	<input checked="" type="checkbox"/>	
(13) Percent of Class Represented by Amount in Row (11)	12.42%	
(14) Type of Reporting Person (See Instructions)	OO	

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(1) Names of Reporting Persons, I.R.S. Identification No. of above Persons (entities only)	G o l s e n Petroleum Corporation
(2) Check the Appropriate Box if a Member of a Group (See Instructions)	(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
(3) SEC Use Only	
(4) Source of Funds (See Instructions)	Not Applicable
(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)	
(6) Citizenship or Place of Organization	Oklahoma
(7) Sole Voting Power	-
Number of Shares Beneficially Owned by Each Reporting Person	(8) Shared Voting Power 417,288
With:	(9) Sole Dispositive Power -
	(10) Shared Dispositive Power 417,288
(11) Aggregate Amount Beneficially Owned by Each Reporting Person	417,288
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	<input type="checkbox"/>
(13) Percent of Class Represented by Amount in Row (11)	1.96%
(14) Type of Reporting Person (See Instructions)	CO

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Introduction

This statement constitutes Amendment No. 43 to the Schedule 13D dated October 7, 1985, as amended (the "Schedule 13D"), relating to the common stock, par value \$.10 a share ("Common Stock") of LSB Industries, Inc. (the "Company"). All terms not otherwise defined herein shall have the meanings ascribed in the Schedule 13D.

This Schedule 13D is reporting matters with respect to the following reporting persons:

- Jack E. Golsen (Chief Executive Officer and Chairman of the Board of the Company);
 - Sylvia H. Golsen, an individual;
- Barry H. Golsen (President and member of the Board of Directors of the Company);
 - Steven J. Golsen (President of certain subsidiaries of the Company);
 - Linda F. Rappaport, an individual;
- Golsen Family, L.L.C., an Oklahoma limited liability company ("GFLLC");
 - SBL, L.L.C. ("SBL"), an Oklahoma limited liability company; and
- Golsen Petroleum Corporation ("GPC"), an Oklahoma corporation and wholly-owned subsidiary of SBL.

Jack and Sylvia Golsen are husband and wife. Barry Golsen, Steven Golsen, and Linda Rappaport are the children of Jack and Sylvia Golsen (collectively, the "Golsen family"). All of the membership interests in GFLLC are owned by the Golsen Family. All of the outstanding stock of SBL is owned by GFLLC, Barry Golsen, Steven Golsen and Linda Rappaport. Jack and Barry Golsen are the sole managers of SBL and the sole members of the Board of Directors and the officers of GPC. Jack and Sylvia Golsen are the sole managers of GFLLC.

This Amendment No. 43 is being filed as a result of the following transactions by members of the reporting group:

- (a) GFLLC completing the sale of an aggregate 100,000 shares of Common Stock pursuant to the terms of GFLLC's Rule 10b5-1 Sales Plan, dated December 29, 2010 (the "10b5-1 Sales Plan"). As a result of such sale, the 10b5-1 Plan terminated pursuant to its terms on March 7, 2011;
- (b) On March 7, 2011, SBL completing the sale of \$2,000,000 aggregate principal amount of the Company's 5.5% Convertible Senior Subordinated Debentures due 2012 ("Debentures"), and Linda Rappaport completing the sale of \$1,000,000 aggregate principal of Debentures;
- (c) On March 7, 2011, Barry Golsen completing the sale of 30,000 shares of Common Stock;

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- (d) March 8 and 9, 2011, Steven Golsen completing the sale of 26,250 shares of Common Stock; and
- (e) GFLLC adopting a 10b5-1 Sales Plan, dated March 24, 2011, providing for the sale of up to 100,000 shares of Common Stock.

Item 1. Security and Issuer.

Item 1 of this Schedule 13D is unchanged.

Item 2. Identity and Background.

Item 2 of this Schedule 13D is unchanged.

Item 3. Source and Amount of Funds or Other Consideration.

This Item 3 is not applicable to the Rule 10b5-1 Plan described above.

Item 4. Purpose of Transaction.

2010 10b5-1 Sales Plan

On December 29, 2010, GFLLC entered into a Rule 2010 10b5-1 Sales Plan with Morgan Stanley Smith Barney, LLC (“Morgan Stanley”) (the “2010 10b5-1 Sales Plan”). The 10b5-1 Sales Plan provided for the sale of up to an aggregate 100,000 shares of Common Stock in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). In accordance with the terms of the terms of the 10b5-1 Sales Plan, GFLLC sold an aggregate of 100,000 shares of Common Stock on March 7, 2011. As a result of such sales, the 2010 10b5-1 Sales Plan has terminated pursuant to its terms.

2011 10b5-1 Sales Plan

On March 24, 2011, GFLLC entered into a Rule 10b5-1 Sales Plan with Morgan Stanley (the “2011 10b5-1 Sales Plan”). The 2011 10b5-1 Sales Plan provides for the sale of up to an aggregate 100,000 shares of Common Stock in accordance with Rule 10b5-1 of the Exchange Act. The 2011 10b5-1 Sales Plan contains and the following terms, among others:

- (a) sales may not commence until June 13, 2011;
- (b) the 2011 10b5-1 Sales Plan will terminate not later than the earlier of June 13, 2012, or the date that all shares of Common Stock covered by the 2011 10b5-1 Sales Plan have been sold in accordance with such plan;
- (c) the sales price of Common Stock will be at a price per share (before selling expenses) at or above \$45.00;
- (d) all sales will be made on the New York Stock Exchange; and

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(e) sales of Common Stock under the 10b5-1 Sales Plan will be made in the discretion of Morgan Stanley, subject to the terms and conditions of the 2011 10b5-1 Sales Plan.

The 2011 10b5-1 Sales Plan was created as part of GFLLC's members long-term estate and tax planning strategy

Other

The reporting persons do not presently have any other plans or proposals required to be reported under Item 4 of this Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) The following table sets forth as of the filing date of this Amendment No. 43 the aggregate number and percentage of the class of Common Stock of the Company identified pursuant to Item 1 beneficially owned by each person named in Item 2:

Person	Amount(10)(11)	Percent(12)
Jack E. Golsen	3,827,222 (2)	17.22%
Sylvia H. Golsen	1,930,980 (3)	8.88%
Barry H. Golsen	3,045,465 (4)	13.78%
Steven J. Golsen	798,563 (5)	3.74%
Linda F. Rappaport	681,081 (6)	3.19%
Golsen Family, L.L.C.(1)	1,930,980 (7)	8.88%
SBL (1)	2,742,187 (8)	12.42%
GPC (1)	417,288 (9)	1.96%

(1) The membership interests in GFLLC are owned by Jack Golsen through his revocable trust (43.516%), Sylvia Golsen through her revocable trust (43.516%), Barry Golsen (4.323%), Steven Golsen (4.323%), and Linda Rappaport (4.323%). Jack and Sylvia Golsen are the managers of GFLLC, and as a result share voting and dispositive power over the Company's securities owned by GFLLC. SBL is wholly-owned by GFLLC (49% owner), Barry Golsen (17% owner), Steven Golsen (17% owner) and Linda Rappaport (17% owner). GPC is a wholly owned subsidiary of SBL. Jack Golsen and Barry Golsen are the managers of SBL and the directors and executive officers of GPC. Barry Golsen, Steven Golsen and Linda Rappaport are the children of Jack and Sylvia Golsen, husband and wife.

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(2) The amount shown is comprised of the following shares of Common Stock:

- (a) 587,309 shares owned by GFLLC as described in footnote (7), over which the reporting person shares investment and dispositive power with Sylvia Golsen;
- (b) 2,742,187 shares beneficially owned by SBL and GPC as described in footnotes (8) and (9), respectively, over which the reporting person shares investment and dispositive power with Barry Golsen;
- (c) 4,000 shares issuable upon conversion of a promissory note, over which the reporting person has sole voting and dispositive power;
- (d) 200,406 shares owned of record by eight trusts for the benefit of the grandchildren and great grandchildren of Jack Golsen, over which Jack Golsen serves as the sole trustee with voting and dispositive power over the Company's securities held in the trusts;
- (e) 263,320 shares owned of record by the Barry H. Golsen 2007 Irrevocable Trust, the Steve J. Golsen 2007 Irrevocable Trust, and the Linda F. Rappaport 2007 Irrevocable Trust, over which Jack Golsen serves as the sole trustee with voting and dispositive power