

JEFFERIES GROUP INC /DE/
Form 4
July 23, 2007

FORM 4

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

OMB APPROVAL

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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 *
HANDLER RICHARD B

2. Issuer Name and Ticker or Trading Symbol
JEFFERIES GROUP INC /DE/ [JEF]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
07/19/2007

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

C/O JEFFERIES & COMPANY, INC., 520 MADISON AVE., 12TH FLOOR

(Street)

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

NEW YORK, NY 10022

(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 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 | (A) or (D) | Price |
| Common Stock | 07/19/2007 | | P | | 326,609 | A | \$ 30.0699 (1) |
| Common Stock | 07/19/2007 | | M | | 800,000 | A | \$ 11.75 (2) |
| Common Stock | 07/19/2007 | | M | | 7,460 | A | \$ 12.1557 (2) |
| Common Stock | 07/19/2007 | | M | | 8,464 | A | \$ 10.598 (2) |

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| | | | | | | | |
|--------------|------------|---|---------|---|------------|-------------------|---|
| Common Stock | 07/19/2007 | M | 9,464 | A | \$ 9.3761 | 12,012,353 (2) | D |
| Common Stock | 07/19/2007 | M | 8,572 | A | \$ 10.4547 | 12,020,925 (2) | D |
| Common Stock | 07/19/2007 | F | 326,600 | D | \$ 29.879 | 11,694,325 (2) | D |

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

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(9-02)

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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|-------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number of Shares |
| Option - right to buy | \$ 11.75 | 07/19/2007 | | M | 800,000 | 08/15/2003 ⁽³⁾ | 08/15/2007 | Common Stock | 800,000 |
| Option - right to buy | \$ 12.1557 | 07/19/2007 | | M | 7,460 | 12/31/2004 | 12/31/2007 | Common Stock | 7,460 |
| Option - right to buy | \$ 10.598 | 07/19/2007 | | M | 8,464 | 12/31/2004 | 12/31/2007 | Common Stock | 8,464 |
| Option - right to buy | \$ 9.3761 | 07/19/2007 | | M | 9,464 | 12/31/2004 | 12/31/2007 | Common Stock | 9,464 |
| Option - right to buy | \$ 10.4547 | 07/19/2007 | | M | 8,572 | 12/31/2004 | 12/31/2007 | Common Stock | 8,572 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

HANDLER RICHARD B
C/O JEFFERIES & COMPANY, INC.
520 MADISON AVE., 12TH FLOOR
NEW YORK, NY 10022

X

CEO

Signatures

/s/ Roland T. Kelly, by power of
attorney

07/23/2007

__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).

Weighted average price based on the following transactions: 500 at \$29.54, 100 at \$29.55, 3100 at \$29.56, 300 at \$29.57, 1800 at \$29.60, 200 at \$29.61, 300 at \$29.62, 100 at \$29.66, 100 at \$29.70, 400 at \$29.75, 200 at \$29.76, 500 at \$29.77, 200 at \$29.78, 100 at \$29.81, 200 at \$29.84, 1400 at \$29.87, 2300 at \$29.88, 2700 at \$29.89, 4100 at \$29.90, 2200 at \$29.91, 600 at \$29.92, 1700 at \$29.93, 1200 at \$29.94, (1) 2100 at \$29.95, 1100 at \$29.96, 4300 at \$29.97, 3900 at \$29.98, 5100 at \$29.99, 23100 at \$30.00, 12700 at \$30.01, 14000 at \$30.02, 6100 at \$30.03, 22100 at \$30.04, 11400 at \$30.05, 20000 at \$30.06, 11900 at \$30.07, 14700 at \$30.08, 13000 at \$30.09, 10500 at \$30.10, 24109 at \$30.11, 11900 at \$30.12, 5300 at \$30.13, 8000 at \$30.14, 10800 at \$30.15, 9800 at \$30.16, 12400 at \$30.17, 10200 at \$30.18, 4300 at \$30.19, 3300 at \$30.20, 1200 at \$30.21, 8400 at \$30.22, 11700 at \$30.23, 4900 at \$30.24.

Does not include 108,524 shares indirectly held by the Reporting Person by the Trustee of the Jefferies Group, Inc. Employees' Stock

(2) Ownership Plan for the benefit of the Reporting Person, and does not include 40 shares indirectly held by the Reporting Person as custodian for family accounts. Includes shares held by the Reporting Person as trustee for estate planning trusts.

(3) One-third of the options were exercisable on each of 8/15/2003, 8/15/2004 and 8/15/2005.

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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