

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-A

FOR REGISTRATION OF CERTAIN CLASSES OF SECURITIES
PURSUANT TO SECTION 12(b) OR (g) OF THE
SECURITIES EXCHANGE ACT OF 1934

LSB INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

73-1015226

(State of incorporation or organization)

(IRS Employer
Identification No.)

16 South Pennsylvania, Oklahoma City, Oklahoma

73107

(Address of principal executive offices)

(Zip Code)

Securities to be registered pursuant to Section 12(b) of the Act:

Title of each class to be so registered	Name of each exchange on which each class is to be registered
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Preferred Share Purchase Rights with respect to Common Stock, par value \$.10	New York Stock Exchange

Securities to be registered pursuant to Section 12(g) of the Act:

None

(Title of Class)

Item 1. Description of Securities To Be Registered.

On February 17, 1989, the Board of Directors of LSB Industries, Inc. (the "Company") declared a dividend of one preferred share purchase right (a "Right") for each outstanding share of common stock, par value \$.10 per share (the "Common Shares"), of the Company. The dividend was payable to stockholders of record on February 27, 1989 (the "Record Date"). Each Right entitles the registered holder to purchase from the Company one one-hundredth of a share of Series 2 Participating Class C Preferred Stock, no par value (the "Preferred Shares"), of the Company, at a price of \$14 per one one-hundredth of a Preferred Share (the "Purchase Price"), subject to adjustment. The description and terms of each Right is set forth in a Rights Agreement (the "Rights Agreement") between the Company and The Liberty National Bank and Trust Company of Oklahoma City, as Rights Agent (the "Rights Agent").

Until the earlier to occur of (i) 10 days following a public announcement that any individual, firm, corporation or entity (individually called "Person" and collectively called "Persons") or group of affiliated or associated Persons have acquired beneficial ownership of 30% or more of the outstanding Common Shares (an "Acquiring Person"), except by those not considered as an Acquiring Person as hereinafter described, or (ii) 10 business days (or such later date as may be determined by action of the Board of Directors prior to such time as any Person becomes an Acquiring Person) following the commencement of, or announcement of an intention to make, a tender offer or exchange offer the consummation of which would result in the

beneficial ownership by a Person or group (other than by those that are not considered an Acquiring Person) of 30% or more of such outstanding Common Shares (the earlier of such dates being called the "Distribution Date"), the Rights will be evidenced, with respect to any of the Common Share certificates outstanding as of the Record Date, by such Common Share certificate. An "Acquiring Person" does not include (a) the Company, any subsidiary of the Company, any employee benefit plan of the Company or subsidiary of the Company or any entity holding Common Shares of the Company for or pursuant to the terms of any such plan, or (b) Jack E. Golsen ("Golsen"); the spouse and children of Golsen and spouses of such children; any estate of, or executor or administrator of any estate of, or guardian or custodian for (collectively the "estates") Golsen, the spouse and children of Golsen and spouses of such children; any corporation, trust, partnership or other entity of which Golsen, the spouse and children of Golsen and spouses of such children or the estates of Golsen, the spouse and children of Golsen and the spouses of such children own at least 80% of the outstanding beneficial voting or equity interest, directly or indirectly, either by any one or more of the above listed persons, entities or estates or by any combination thereof; and, certain affiliates and associates of the above listed persons, entities or estates (the Persons and estates referred to in (a) and (b) above of this paragraph sometimes collectively referred to as "Excluded Persons").

The Rights provide that, until the Distribution Date, the Rights will be transferred with and only with the Common Shares. Until the Distribution Date (or earlier redemption or expiration of the Rights), new Common Share certificates issued after the Record Date, upon transfer or new issuance of Common Shares will contain a notation incorporating the Rights by reference. Until the Distribution Date (or earlier redemption or expiration of the Rights), the surrender for transfer of any certificates for Common Shares, outstanding as of the Record Date, even without such notation or a copy of the Summary of Rights being attached thereto, will also constitute the transfer of the Rights associated with the Common Shares represented by such certificate. As soon as practicable following the Distribution Date, separate certificates evidencing the Rights ("Right Certificates") will be mailed to holders of record of the Common Shares as of the close of business on the Distribution Date and such separate Right Certificates alone will evidence the Rights.

The Rights are not exercisable until the Distribution Date. The Rights will expire on February 27, 1999 (the "Final Expiration Date"), unless the Final Expiration Date is extended or unless the Rights are earlier redeemed by the Company, in each case, as described below.

The Purchase Price payable, and the number of Preferred Shares or other securities or property issuable, upon exercise of the Rights are subject to adjustment from time to time to prevent dilution (i) in the event of a stock dividend on, or a subdivision, combination or reclassification of, the Preferred Shares, (ii) upon the grant to holders of the Preferred Shares of certain rights or warrants to subscribe for or purchase Preferred Shares at a price, or securities convertible into Preferred Shares with a conversion price, less than the then current market price of the Preferred Shares or (iii) upon the distribution to holders of the Preferred Shares of evidences of indebtedness or assets (excluding regular periodic cash dividends paid out of earnings or retained earnings or dividends payable in Preferred Shares) or of subscription rights or warrants (other than those referred to above).

The number of outstanding Rights and the number of one one-hundredths of a Preferred Share issuable upon exercise of each Right are also subject to adjustment in the event of a stock split of the Common Shares, or a stock dividend on the Common Shares payable in Common Shares, or subdivisions, consolidation or combinations of the Common Shares occurring, in any such case, prior to the Distribution Date.

Any rights that are or were acquired or beneficially owned by an Acquiring Person shall be void and any holder of such Rights shall thereafter have no right to exercise such Rights.

Preferred Shares purchasable upon exercise of the Rights will not be redeemable. Each Preferred Share shall be entitled to receive, when, as and if declared by the Board of Directors, out of funds legally available for the purpose, a minimum preferential quarterly dividend payment of \$1 per share but will be entitled to an aggregate dividend of 100 times the dividend declared per Common Share. Dividends on the Preferred Shares shall be cumulative. Accrued, but unpaid, dividends on the Preferred Shares shall not bear interest. In the event of liquidation, the holders of the Preferred Shares will be entitled to a minimum preferential liquidation payment of \$100 per share but will be entitled to an aggregate payment of 100 times the payment made per Common Share. In the event of any merger, consolidation or other transaction in which Common Shares are exchanged, each Preferred Share will be entitled to receive 100 times the amount received per Common Share. These rights are protected by customary antidilution provisions. Each

Preferred Share will have 100 votes on all matters submitted to a vote of the stockholders of the Corporation, voting together with the Common Shares.

Because of the nature of the Preferred Shares' dividend and liquidation rights, the value of the one one-hundredth interest in a Preferred Share purchasable upon exercise of each Right should approximate, to some degree, the value of one Common Share.

In the event that the Company is acquired in a merger or other business combination transaction or 50% or more of its consolidated assets or earning power are sold, proper provisions will be made so that each holder of a Right (other than Rights beneficially owned by an Acquiring Person) will thereafter have the right to receive, upon the exercise thereof at the then current exercise price of the Right, that number of shares of common stock of the acquiring company which at the time of such transaction will have a market value of two times the exercise price of the Right. In the event that (i) any person becomes an Acquiring Person or (ii) during such time as there is an Acquiring Person, there shall be any reclassification of securities or recapitalization or reorganization of the Company or other transaction or series of transactions which has the effect of increasing by more than 1% the proportionate share of the outstanding shares of any class of equity securities of the Company or any of its subsidiaries beneficially owned by the Acquiring Person, proper provisions shall be made so that each holder of a Right, other than Rights beneficially owned by the Acquiring Person, (which are void), will thereafter have the right to receive upon exercise that number of Common Shares of the Company having a market value of two times the exercise price of the Right.

At any time after one becomes an Acquiring Person by acquiring beneficial ownership of 30% or more of the outstanding Common Shares and prior to the acquisition by such Acquiring Person of 50% or more of the outstanding Common Shares, the Board of Directors of the Company may, at its option, exchange the Rights (other than Rights owned by such Acquiring Person which are void), in whole or in part, at an exchange ratio of one Common Share, or one one-hundredth of a Preferred Share (or of a share of a class or series of the Company's preferred stock having equivalent rights, preferences and privileges), per Right (subject to adjustment).

With certain exceptions, no adjustment in the Purchase Price will be required until cumulative adjustments require an adjustment of at least 1% in such Purchase Price. No fractional Preferred Shares will be issued (other than fractions which are integral multiples of one one-hundredth of a Preferred Share, which may, at the election of the Company, be evidenced by depositary receipts). In lieu thereof, an adjustment in cash will be made based on the market price of the Preferred Shares on the last trading day prior to the date of exercise.

At any time prior to the acquisition by a Person or group of affiliated or associated Persons (other than by Excluded Persons) of beneficial ownership of 30% or more of the outstanding Common Shares, the Board of Directors of the Company may redeem the Rights in whole, but not in part, at a price of \$.01 per Right (the "Redemption Price"). The redemption of the Rights may be made effective at such time on such basis and with such conditions as the Board of Directors in its sole discretion may establish. Immediately upon any redemption of the Rights, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price.

The terms of the Rights may be amended by the Board of Directors of the Company without the consent of the holders of the Rights, including an amendment to lower the threshold for exercisability of the Rights from 30% to not less than the greater of (i) any percentage greater than the largest percentage of the outstanding Common Shares then known to the Company to be beneficially owned by any person or group of affiliated or associated persons (other than the Excluded Persons) and (ii) 10%, except that from and after such time as any person becomes an Acquiring Person no such amendment may adversely affect the interests of the holders of the Rights.

Until a Right is exercised, the holder thereof, as such, will have no rights as a stockholder of the Company, including, without limitation, the right to vote or to receive dividends.

The Rights have certain anti-takeover effects. The Rights will cause substantial dilution to a Person or group that attempts to acquire the Company on terms not approved by the Company's Board of Directors. The Rights should not interfere with any merger or other business combination approved by the Board of Directors since the Rights may be redeemed by the Company at \$.01 per Right prior to the time that a Person or group has acquired beneficial ownership of 30% or more of the Common Shares.

The foregoing description of the Rights does not purport to be

complete and is qualified in its entirety by reference to the Rights Agreement, which is an Exhibit to this Registration Statement and is incorporated in this summary description by reference.

Item 2. Exhibits.

1. Rights Agreement dated as of February 17, 1989, between LSB Industries, Inc. and The Liberty National Bank and Trust Company of Oklahoma City, has been filed as an Exhibit to Form 8-A filed by the Registrant with the Securities and Exchange Commission on February 23, 1989, and is incorporated herein by reference.
2. Certificate of Designation, dated February 17, 1989, relating to the Series 2 Participating Class C Preferred Stock has been filed as an Exhibit to the Company's Form 10-K for fiscal year ended December 31, 1989, and is incorporated herein by reference.
3. All exhibits required by Instruction II to Item 2 will be supplied to the New York Stock Exchange.

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: August 17, 1994.

LSB INDUSTRIES, INC.

By /s/ Heidi L. Brown
Heidi L. Brown
Vice President
Managing Counsel