

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>JAYHAWK INSTITUTIONAL PARTNERS LP</u> (Last) (First) (Middle) 5410 WEST 61ST PLACE SUITE 100 (Street) MISSION KS 66205 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>LSB INDUSTRIES INC [LXU]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 08/21/2007	

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/21/2007 ⁽¹⁾		C		349,220	A	(2)	2,215,288 ⁽³⁾	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
					(A)	(D)	Date Exercisable	Expiration Date						Title
Class C Preferred Series 2	(4)	08/21/2007 ⁽¹⁾		C		80,670	(4)	(4)	Common Stock	349,220	\$0	0	D	

Explanation of Responses:

- The transaction date was reported as August 14, 2007 in the reporting person's previous Form 4 filed on August 16, 2007. However, the effective date of the transaction was actually August 21, 2007.
- The reporting person converted 80,670 shares of \$3.25 Convertible Exchangeable Class C Preferred Stock, Series 2 ("Class C Preferred Series 2 Stock") on August 21, 2007 into 349,220 shares of common stock in accordance with the terms of the Class C Preferred Series 2 Stock.
- The amount of securities beneficially owned by the reporting person following the transaction was reported in the reporting person's previous Form 4 filed on August 16, 2007 as 2,074,248. However, the actual amount of securities beneficially owned by the reporting person following the transaction was 2,215,288.
- Each share of the Class C Preferred Series 2 Stock was convertible into 4.329 shares of common stock at any time, and had no expiration date.

Remarks:

This Form 4 is filed by Jayhawk Institutional Partners, L.P. (Jayhawk Institutional"). Form 4s reporting the transactions herein were also filed by Kent C. McCarthy, and by Jayhawk Capital Management, L.L.C. ("Jayhawk Capital"). Mr. McCarthy is the manager of Jayhawk Capital, which is the general partner and manager of Jayhawk Institutional.

/s/ Kent C. McCarthy, Manager of Jayhawk Capital Management, L.L.C., its general partner 08/23/2007

** Signature of Reporting Person Date

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

* 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).

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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