UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): April 26, 2015

LSB INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**1-7677**	**73-1015226**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

16 South Pennsylvania Avenue, Oklahoma City, Oklahoma	**73107**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code (405) 235-4546

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 – Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

Agreement with Starboard Value

On April 26, 2015, LSB Industries, Inc. (the "Company") entered into an agreement (the "Settlement Agreement") with Starboard Value LP and certain of its affiliates (collectively, "Starboard"). Pursuant to the Settlement Agreement, the Company agreed, among other things, to:

(a) increase the size of the Board of Directors (the "Board") from 10 to 13 members;

(b) elect Louis S. Massimo, Andrew K. Mittag, Marran H. Ogilvie, Richard W. Roedel and Lynn F. White (collectively, the "New Appointees") to the Board effective as of the close of the meeting of the Board of Directors on April 26, 2015, to fill the vacancies and newly created director positions on the Board of Directors, and to accept the Board resignations of Gail Lapidus and Robert Henry, effective as of the close of the meeting of the Board of Directors April 26, 2015;

(c) nominate and solicit proxies for the election of the New Appointees to the Board at the 2015 annual meeting to serve in the classes of directors set forth therein;

(d) appoint Daniel D. Greenwell as Lead Independent Director and Chairman of the Audit Committee, effective as of the close of the meeting of the Board of Directors on April 26, 2015;

(e) announce the Company's intention to (i) separate the Company's Chemical and Climate Control businesses in 2016 following the completion and opening of the El Dorado facility expansion projects and subject to market conditions and Board approval and (ii) explore a master limited partnership (MLP) structure for the Company's Chemical business following the completion and opening of the El Dorado facility expansion projects in 2016;

(f) form a special committee to oversee the search for a new executive to lead the Company's Chemical business, which shall consist of Messrs. Richard S. Sanders, Daniel D. Greenwell, Andrew K. Mittag and Lynn F. White;

(g) expand the role of the Board's Strategic Committee to include an evaluation of the Company's corporate governance and management structure, related party transactions and any other governance practices deemed appropriate with any recommendations that are approved by the Board to be announced simultaneously with the Company's public announcement of its financial results as of and for the six months ended June 30, 2015;

(h) determine the Company's director nominees for its 2016 annual meeting of stockholders, based on a majority vote of the independent directors;

(i) appoint the following to committees of the Board, effective as of the close of the meeting of the Board of Directors on April 26, 2015:

- Ms. Ogilvie to the Nominating and Corporate Governance Committee,

- Mr. Massimo to the Audit Committee,
- Mr. Mittag to the Compensation and Stock Option Committee,
- Mr. Roedel to both the Compensation and Stock Option Committee and the Audit Committee, and
- Mr. White to the Nominating and Corporate Governance Committee; and

(j) not increase the size of the Board to more than 13 directors or seek to change the classes on which the Board members serve.

Pursuant to the terms of the Settlement Agreement, Starboard agreed, among other things:

(a) to withdraw its nomination notice which Starboard had confidentially submitted to the Company;

(b) not to nominate any person for election at the 2015 annual meeting;

(c) not to submit any proposal for consideration at, or bring any other business before, the 2015 annual meeting;

(d) not to initiate, encourage or participate in any "withhold" or similar campaign with respect to the 2015 Annual Meeting; and

(e) to appear in person or by proxy at the 2015 Annual Meeting and vote all Company securities beneficially owned by it in favor of the election of each of the Company's nominees to the Board, including Barry H. Golsen and Richard S. Sanders, Jr., and in accordance with the Board's recommendation with respect to the Company's "say-on-pay" proposal unless Institutional Shareholder Services, Inc. recommends against such "say-on-pay" proposal.

The Settlement Agreement also provides that if any of the New Appointees is unable to serve as a director, resigns or is removed as a director prior to the end of the Standstill Period (as defined below) and at such time Starboard beneficially owns in the aggregate at least the lesser of (a) 3% of the Company's then outstanding common stock and (b) 679,748 shares of the Company's common stock, then Starboard and the Company will discuss in good faith the mutual recommendation of a substitute person(s) who meets certain independence and experience criteria for approval by the Nominating and Corporate Governance Committee and appointment by the Board within five business days after such committee's approval.

Starboard also agreed to certain customary standstill provisions, effective as of the date of the Settlement Agreement through the earlier of (a) 15 business days prior to the deadline for the submission of stockholder nominations for the 2016 annual meeting of stockholders or (b) 135 days prior to the anniversary date of the 2015 annual meeting (the "Standstill Period"). The standstill provisions generally prohibit Starboard from taking specified actions with respect to the Company and its securities, including, among others: (a) soliciting or participating in the solicitation of proxies; (b) joining any "group" or becoming party to any voting arrangement or agreement; (c) seeking or encouraging others to submit nominations for election or removal of directors; (d) making stockholder proposals or offers with respect to mergers, acquisitions and other business combinations; or (e) seeking board representation other than as provided in the Settlement Agreement.

The above summary is qualified in its entirety by reference to the full text of the Settlement Agreement, a copy of which is filed as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference. In addition, the full text of the related press release announcing the Settlement Agreement is attached hereto as Exhibit 99.2 to this report, and both exhibits are hereby incorporated by reference herein

Section 5 – Corporate Governance and Management

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignations of Henry and Lapidus and Appointments of New Directors

Pursuant to the Settlement Agreement, on April 26, 2015, Robert Henry and Gail Lapidus each tendered their resignation from the Board of Directors of the Company and all committees thereof, effective as of the close of the meeting of the Board of Directors on April 26, 2015. Mr. Henry's and Ms. Lapidus' resignations did not involve any disagreement with the Board of Directors, the Company or its management on any matter relating the Company's operations, policies, or practices.

Effective as of the close of the Board meeting on April 26, 2015, Louis S. Massimo and Andrew K. Mittag were appointed to the Board of Directors to fill the vacancies created by the resignations of Ms. Lapidus and Mr. Henry. In addition, Marran H. Ogilvie, Richard W. Roedel and Lynn F. White were appointed to the Board of Directors effective at that time to fill newly created director positions. These appointments were pursuant to the Settlement Agreement.

None of the New Appointees has any family relationships with any of the Company's directors or executive officers and each is not a party to any transactions of the type listed in Item 404(a) of Regulation S-K.

The information set forth in Item 1.01 of this Current Report with respect to the Company's directors and the New Appointees, including without limitation, the appointments of the New Appointees to serve as members of various committees of the Board of Directors, is incorporated by reference in this Item 5.02.

Golsen Agreement

In connection with the Board's succession planning efforts, on April 27, 2015, the Company entered into an employment agreement (the "Golsen Agreement") with Barry H. Golsen, our Chief Executive Officer and President. The initial term of the agreement ends April 27, 2018, and will automatically be extended for one year, unless terminated by written notice six months before April 27, 2018, either by the Company or Mr. Golsen. Under the Golsen Agreement, Mr. Golsen receives (a) an annual base salary of $800,000, as may be increased from time to time by the Board's Compensation and Stock Option Committee (the "Compensation Committee") and (b) an annual bonus at the discretion of the Compensation Committee, with a target of not less than 100% of annual base salary, but not to exceed 200% of annual base salary.

The Golsen Agreement also provides that Mr. Golsen will be entitled to participate in any equity plan adopted by the Company and entitled to participate in all insurance and other employee benefit plans and programs as generally are made available to executive personnel of the Company. In addition, the Agreement provides for certain benefits payments upon termination of Mr. Golsen's employment under certain circumstances, including a change in control of the Company, as defined in the Golsen Agreement. The Company's obligation to pay certain of these benefits is subject to the execution and delivery of a release of claims against the Company by Mr. Golsen (with certain exceptions). The Golsen Agreement terminates Mr. Golsen's existing Severance Agreement.

The forgoing does not constitute a complete summary of the terms of the Golsen Agreement and reference is made to the complete form of the Golsen Agreement that is attached as Exhibit 99.3.

Behrman Agreement

Mark T. Behrman currently serves as our Senior Vice President-Corporate Development, a role he has had since joining the Company on March 3, 2014. Upon his initial employment on March 3, 2014, the Company, among other things, granted to Mr. Behrman a non-qualified stock option (the "NQSO") under the Company's 2008 Stock Incentive Plan for the purchase of up to 150,000 shares of the Company's common stock at a purchase price of $32.69 per share, which was the fair market value of the Company's common stock on the grant date. This NQSO vests over a six-year period and expires on March 3, 2024. His current salary is $300,000 per year. In connection with our Board's succession planning efforts, on December 22, 2014, the Board of Directors appointed Mr. Behrman to serve as Executive Vice President and Chief Financial Officer of the Company, effective as of the 2015 annual meeting. Mr. Behrman will succeed Tony M. Shelby, our current Executive Vice President and Chief Financial Officer, in such roles. As a result of his approaching transition to Chief Financial Officer and as part of the Board's succession planning efforts, on April 27, 2015, entered into an employment agreement with Mr. Behrman (the "Behrman Agreement").

The initial term of Mr. Behrman's agreement ends April 27, 2018, and will automatically be extended for one year, unless terminated by written notice six months before April 27, 2018, either by the Company or Mr. Behrman. Under the Behrman Agreement, commencing on the date of the 2015 annual meeting (scheduled for June 25, 2015), Mr. Behrman will receive (a) an annual base salary of $400,000, as such may be increased from time to time by the Compensation Committee, (b) a bonus for 2014 of at least $150,000 (in accordance with the signing incentive guaranteed to him in March 2014), (c) an annual bonus at the discretion of the Compensation Committee, not to exceed 150% of his annual base salary and (d) the grant of a NQSO under the Company's 2008 Stock Incentive Plan for the purchase of up to 50,000 shares of the Company's common stock at a purchase price equal to the fair market value of the Company's common stock on the grant date, which will vest ratably over a six-year period and expires on the 10th anniversary of the grant date.

The Behrman Agreement also provides that Mr. Behrman will be entitled to participate in any equity plan adopted by the Company and entitled to participate in all insurance and other

employee benefit plans and programs as generally are made available to executive personnel of the Company. In addition, the Agreement provides for certain benefits payments upon termination of Mr. Behrman's employment under certain circumstances, including a change in control of the Company, as defined in the Behrman Agreement. The Company's obligation to pay certain of these benefits is subject to the execution and delivery of a release of claims against the Company by Mr. Behrman (with certain exceptions). The Behrman Agreement terminates Mr. Behrman's existing Severance Agreement, and effective as of the 2015 annual meeting, the current terms of his employment will be superseded by the Behrman Agreement.

The forgoing does not constitute a complete summary of the terms of the Behrman Agreement and Mr. Behrman's initial employment and reference is made to the complete form of the Behrman Agreement that is attached as Exhibit 99.4 and the Offer Letter that is attached as Exhibit 99.5.

Amendment to Severance Agreements

On April 27, 2015, the Company amended its existing severance agreements with certain executive officers and other officers of the Company or its subsidiaries, including Tony M. Shelby (Executive Vice President Finance and Chief Financial Officer of the Company), David R. Goss (Executive Vice President of Operations of the Company), and David M. Shear (Senior Vice President and General Counsel of the Company). As amended, each severance agreement provides that if, within 24 months after the occurrence of a change in control (as defined) of the Company, the officer's employment is terminated other than for cause (as defined), or the officer terminates his employment for good reason (as defined), the Company must pay the officer an amount equal to 2.9 times the officer's base amount (as defined). Further, except in the case of Jack E. Golsen's severance agreement, if the Company terminates the officer's employment within 24 months of a determination by the Board or the Chief Executive Officer that the officer should be terminated without cause (as defined), the Company must pay the officer an amount equal to two times the officer's base amount (as defined). The Company's obligation to pay these amounts is subject to the execution and delivery of a release of claims against the Company by the officer (with certain exceptions). The term "base amount" means the average annual gross compensation (salary and bonus) paid by the Company to the officer and includable in the officer's gross income during the most recent five-year period immediately preceding the change in control. The severance arrangements for Barry Golsen and Mark Behrman are contained in their employment agreements with the Company, which are described above.

The existing Severance Agreement with Jack Golsen was amended to (a) conform the definition of change in control to the definition set forth in the Severance Agreements described above, and (b) include a provision to limit the amount of severance compensation upon certain terminations following a change in control to the amount that would not result in excise tax to the Company under Section 280G of the Internal Revenue Code.

The forgoing does not constitute a complete summary of the terms of the Amended and Restated Severance Agreements and reference is made to the form of Amended and Restated Severance Agreement that is attached as Exhibit 99.6, and the 2015 Amendment to Severance Agreement with Jack E. Golsen that is attached as Exhibit 99.7

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On April 26, 2015, the Board of Directors the Company adopted and approved an amendment to the Company's Amended and Restated Bylaws, dated August 21, 2014. In accordance with the Settlement Agreement, the amendment increases the maximum number of members of the Board from 10 to 13.

The Company's Fifth Amendment to the Amended and Restated Bylaws, dated April 26, 2015, is attached hereto as Exhibit 3(ii) and are incorporated herein by reference.

Section 8 – Other Events

Item 8.01. Other Events.

On April 27, 2015, the Company issued a press release announcing the execution of the Settlement Agreement and the matters described in Item 1.01 of this Current Report. A copy of the press release is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

3(ii)	Fifth Amendment to Amended and Restated Bylaws of LSB Industries, Inc., dated April 26, 2015.
99.1	Settlement Agreement, dated April 26, 2015, by and among the Company and Starboard Value LP.
99.2	Press Release, dated April 27, 2015.
99.3	Employment Agreement, dated April 27, 2015, by and among the Company and Barry H. Golsen.
99.4	Employment Agreement, dated April 27, 2015, by and among the Company and Mark T. Behrman.
99.5	Offer Letter, dated February 5, 2014, and Non-Qualified Stock Option Agreement, dated March 3, 2014, by and among the Company to Mark T. Behrman.
99.6	Amended and Restated Severance Agreement, dated April 27, 2015, by and among the Company and Tony M. Shelby. Substantially similar Amended and Restated Severance Agreements, each dated April 27, 2015, between the Company and each of David R. Goss, Phil Gough, Greg Withrow, James Murray, III, Michael Tepper, Paul Rydlund, Steven Golsen, Heidi Brown, and David Shear are not attached hereto, but will be provided to the Securities and Exchange Commission upon request.
99.7	2015 Amendment to Severance Agreement, dated April 27, 2015, by and among the Company and Jack E. Golsen.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: April 30, 2015

LSB INDUSTRIES, INC.

By: /s/ Tony M. Shelby
Tony M. Shelby
Executive Vice President Chief Financial Officer

Exhibit 3(ii)

FIFTH AMENDMENT TO THE
AMENDED AND RESTATED BYLAWS
OF
LSB INDUSTRIES, INC.

This Fifth Amendment to the Amended and Restated Bylaws of LSB Industries, Inc. (the "Corporation"), dated August 20, 2009, as amended by the First Amendment, dated February 18, 2010, the Second Amendment, dated January 17, 2014, the Third Amendment, dated February 4, 2014, and the Fourth Amendment, dated August 21, 2014 (together, the "Bylaws"), which amends the Bylaws to increase the maximum number of members of the Board of Directors of the Corporation from ten to thirteen directors, was unanimously approved and adopted by the Board of Directors of the Corporation at their meeting held on April 26, 2015:

1. Amendment to ARTICLE IV, Section 1. "Number, Term, Qualifications and Vacancies." The second sentence of Section 1 of ARTICLE IV of the Bylaws is hereby deleted in its entirety, and the following new sentence is substituted in lieu thereof:

> "The number of directors that shall constitute the whole Board of Directors may be fixed from time to time pursuant to a resolution adopted by a vote of two-thirds of the entire Board of Directors and may consist of no fewer than three nor more than thirteen members."

2. The Bylaws, as amended and modified by this Fifth Amendment to the Amended and Restated Bylaws of LSB Industries, Inc., sets forth the entire bylaws of LSB Industries, Inc. This Fifth Amendment to the Amended and Restated Bylaws of LSB Industries, Inc. is effective April 26, 2015, the date the Board of Directors unanimously adopted and approved such amendment.

Dated: April 26, 2015

LSB INDUSTRIES, INC.

/s/ Jack E. Golsen
Jack E. Golsen
Executive Chairman of the Board

/s/ David M. Shear
David M. Shear, Secretary

Exhibit 99.1

EXECUTION VERSION

AGREEMENT

This Agreement (this "Agreement") is made and entered into as of April 26, 2015, by and among LSB Industries, Inc. (the "Company") and the entities and natural persons listed on Exhibit A hereto and their respective Affiliates and Associates (collectively, "Starboard") (each of the Company and Starboard, a "Party" to this Agreement, and collectively, the "Parties").

RECITALS

WHEREAS, the Company and Starboard have engaged in discussions and communications concerning the Company's business, financial performance and strategic plans;

WHEREAS, Starboard is deemed to beneficially own shares of common stock of the Company (the "Common Stock") totaling, in the aggregate, 1,725,000 shares, or approximately 7.6% percent, of the Common Stock of the Company issued and outstanding on the date of this Agreement;

WHEREAS, Starboard submitted a nomination letter to the Company on March 10, 2015 (the "Nomination Letter") nominating director candidates to be elected to the Company's board of directors (the "Board") at the 2015 annual meeting of stockholders of the Company (the "2015 Annual Meeting"); and

WHEREAS, the Company and Starboard have determined to come to an agreement with respect to the election of members of the Board at the 2015 Annual Meeting, the election by the Board of five new directors, certain matters related to the 2015 Annual Meeting and certain other matters, as provided in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

Section 1. Board Matters; Board Appointments; 2015 Annual Meeting.

(a) The Company agrees that the Board and all applicable committees of the Board shall, effective as of the date of this Agreement, take all necessary actions to increase the size of the Board to thirteen (13) and elect to the Board the following five individuals: Louis S. Massimo ("Mr. Massimo"), Andrew K. Mittag ("Mr. Mittag"), Marran H. Ogilvie ("Ms. Ogilvie"), Richard W. Roedel ("Mr. Roedel") and Lynn F. White ("Mr. White," and with Ms. Ogilvie and Messrs. Massimo, Mittag and Roedel, the "New Appointees"). Messrs. Mittag and White shall fill the vacancies created by the resignations of Ms. Gail Lapidus and Robert Henry, who the Company hereby represents have submitted, or shall no later than the date hereof submit, letters of resignation to the Board that will become effective upon the election of their respective successors to the Board.

(b) The Company agrees that the Board shall nominate the following seven individuals for election to the Board at the 2015 Annual Meeting: each New Appointee and

Messrs. Richard Sanders and Barry Golsen. Ms. Ogilvie and Messrs. Roedel, Sanders, White and Barry Golsen shall be designated as nominees for the class of directors with terms expiring at the 2018 annual meeting of stockholders (the "2018 Annual Meeting"), and Messrs. Massimo and Mittag shall be designated as nominees for the class of directors with terms expiring at the 2017 annual meeting of stockholders (the "2017 Annual Meeting").

(c) The Company agrees that the Board and all applicable committees of the Board shall, effective as of the date of this Agreement, take all necessary actions to appoint Daniel D. Greenwell as lead independent director.

(d) The Company agrees that the Board and all applicable committees of the Board shall, effective as of the date of this Agreement, take all necessary actions to appoint Mr. Greenwell as Chairman of the Audit Committee.

(e) The Company agrees that the Board and all applicable committees of the Board shall, effective as of the date of this Agreement, take all necessary actions to appoint the New Appointees to the following committees of the Board:

	Nominating and Corporate Governance	Compensation and Stock Option	Audit
Ms. Ogilvie	x		
Mr. Massimo			x
Mr. Mittag		x	
Mr. Roedel		x	x
Mr. White	x		

(f) The New Appointees, in addition to all current directors, will be required to: (i) comply with all policies, procedures, processes, codes, rules, standards and guidelines applicable to members of the Board; (ii) keep confidential all Company confidential information and to not disclose to any third parties (including Starboard) discussions or matters considered in meetings of the Board or Board committees; and (iii) complete the Company's standard director & officer questionnaire and other reasonable and customary director onboarding documentation (including a representation agreement) required by the Company in connection with the election of Board members.

(g) Upon the execution of this Agreement and the election of the New Appointees, Starboard irrevocably withdraws its Nomination Letter and agrees not to (i) nominate any person for election at the 2015 Annual Meeting, (ii) submit any proposal for consideration at, or bring any other business before, the 2015 Annual Meeting, directly or indirectly, or (iii) initiate, encourage or participate in any "withhold" or similar campaign with respect to the 2015 Annual Meeting, directly or indirectly, and shall not permit any of its Affiliates or Associates to do any of the items in this Section 1(g). Starboard agrees that it will not publicly or privately encourage or support any other stockholder or person to take any of the actions described in this Section 1(g).

(h) The Company agrees that it will recommend, support and solicit proxies for the election of the New Appointees at the 2015 Annual Meeting in the same manner as Messrs. Sanders and Barry Golsen.

(i) The Company agrees that if any of the New Appointees or any Replacement Director (as defined below) is unable to serve as a director, resigns as a director or is removed as a director prior to the end of the Standstill Period (as defined below), and at such time Starboard beneficially owns in the aggregate at least the lesser of 3.0% of the Company's then outstanding Common Stock and 679,748 shares of Common Stock (subject to adjustment for stock splits, reclassifications, combinations and similar adjustments) (the "Minimum Ownership Level"), the Company and Starboard shall discuss in good faith the mutual recommendation to the Nominating and Corporate Governance Committee of the Board (the "Governance Committee") of the appointment of a substitute person to fill the resulting vacancy in the class of directors with terms expiring at the 2018 Annual Meeting (in the case of Ms. Ogilvie or Messrs. Roedel or White) or the 2017 Annual Meeting (in the case of Messrs. Massimo or Mittag), which person shall (i) be independent of Starboard, (ii) qualify as "independent" pursuant to NYSE listing standards, and (iii) have relevant financial and business experience. The appointment of any such person to the Board will be subject to the approval of the Governance Committee, in its discretion, after exercising its fiduciary duties in good faith, which approval shall not be unreasonably withheld (any such replacement nominee appointed in accordance with the terms of this Section 1(i) shall be referred to as a "Replacement Director"). In the event the Governance Committee does not accept a substitute person recommended by Starboard, Starboard will have the right to recommend additional substitute person(s), who will also be independent of Starboard, qualify as "independent" pursuant to NYSE listing standards, and have relevant financial and business experience, and whose appointment shall be subject to the approval of the Governance Committee, in its discretion, after exercising its fiduciary duties in good faith, which approval shall not be unreasonably withheld. Upon the acceptance of a Replacement Director nominee by the Governance Committee, the Board will appoint such Replacement Director to the Board no later than five (5) business days after the Governance Committee recommendation of such Replacement Director.

(j) Starboard agrees to appear in person or by proxy at the 2015 Annual Meeting and vote all shares of Common Stock beneficially owned by it (i) in favor of the election of each of the Company's nominees for election to the Board and (ii) in accordance with the Board's recommendation with respect to the Company's "say-on-pay" proposal unless Institutional Shareholder Services Inc. recommends against the "say-on-pay" proposal.

(k) Starboard agrees that it will cause its Affiliates and Associates to comply with the terms of this Agreement. As used in this Agreement, the terms "Affiliate" and "Associate" shall have the respective meanings set forth in Rule 12b-2 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, or the rules or regulations promulgated thereunder (the "Exchange Act") and shall include all persons or entities that at any time during the term of this Agreement become Affiliates or Associates of any person or entity referred to in this Agreement.

(l) The Company shall use its reasonable best efforts to hold the 2015 Annual Meeting no later than June 27, 2015.

(m) The Company agrees that prior to the 2015 Annual Meeting, the Board and all applicable committees of the Board shall not (i) increase the size of the Board to more than thirteen (13) directors or (ii) seek to change the classes on which the Board members serve.

(n) The Company agrees that the responsibilities of the Strategic Committee of the Board as set forth in its charter shall be expanded to include an evaluation of the Company's corporate governance and management structure, related party transactions and any other governance practices of the Company deemed appropriate by the Strategic Committee. The Strategic Committee shall deliver a report with recommendations regarding such matters no later than July 30, 2015 and the Company shall announce any actions the Board approves in response to such recommendations simultaneously with its public announcement of the Company's financial results as of and for the six months ended June 30, 2015.

(o) The Company shall continue the search for a new executive to lead the Company's Chemicals business which the Company publicly announced on March 16, 2015. Promptly following the date of this Agreement, the Board shall form a special committee to oversee this executive search and make a recommendation to the full Board with respect thereto, which committee shall consist of Messrs. Sanders (Chair), Greenwell, Mittag and White.

(p) The Company agrees that the persons whom the Board shall nominate as candidates for election to the Board at the Company's 2016 annual meeting of stockholders (the "2016 Annual Meeting") shall be approved by a majority of the members of the Board who are "independent" pursuant to NYSE listing standards (the "Independent Directors").

Section 2. Standstill Provisions.

(a) Starboard agrees that, from the date of this Agreement until the earlier of (i) the date that is fifteen (15) business days prior to the deadline for the submission of stockholder nominations for the 2016 Annual Meeting pursuant to the Company's bylaws or (ii) the date that is one hundred thirty-five (135) days prior to the first anniversary of the 2015 Annual Meeting (the "Standstill Period"), neither it nor any of its Affiliates or Associates will, and it will cause each of its Affiliates and Associates not to, directly or indirectly, in any manner:

(i) engage in any solicitation of proxies or consents or become a "participant" in a "solicitation" as such terms are defined in Regulation 14A under the Exchange Act of proxies or consents (including, without limitation, any solicitation of consents that seeks to call a special meeting of stockholders), in each case, with respect to securities of the Company;

(ii) form, join or in any way participate in any "group" (within the meaning of Section 13(d)(3) of the Exchange Act) with respect to the Common Stock (other than a "group" that includes all or some of the persons identified on Exhibit A, but does not include any other entities or persons not identified on Exhibit A as of the date hereof); provided, however, that nothing herein shall limit the ability of an Affiliate of Starboard to join the "group" following the execution of this Agreement, so long as any such Affiliate agrees to be bound by the terms and conditions of this Agreement;

(iii) deposit any Common Stock in any voting trust or subject any Common Stock to any arrangement or agreement with respect to the voting of any Common Stock, other than any such voting trust, arrangement or agreement solely among the members of Starboard and otherwise in accordance with this Agreement;

(iv) seek or encourage any person to submit nominations in furtherance of a "contested solicitation" for the election or removal of directors with respect to the Company or seek, encourage or take any other action with respect to the election or removal of any directors; provided, however, that nothing in this Agreement shall prevent Starboard or its Affiliates or Associates from taking actions in furtherance of identifying director candidates in connection with the 2016 Annual Meeting so long as such actions do not create a public disclosure obligation for Starboard and are undertaken on a basis reasonably designed to be confidential and in accordance in all material respects with Starboard's normal practices in the circumstances;

(v) (A) make any proposal for consideration by stockholders at any annual or special meeting of stockholders of the Company, (B) make any offer or proposal (with or without conditions) with respect to a merger, acquisition, recapitalization, restructuring, disposition or other business combination involving Starboard and the Company, or (C) publicly comment on any third party proposal regarding any merger, acquisition, recapitalization, restructuring, disposition or other business combination with respect to the Company by such third party prior to such proposal becoming public;

(vi) seek, alone or in concert with others, representation on the Board, except as specifically contemplated in Section 1;

(vii) seek to advise, encourage, support or influence any person with respect to the voting or disposition of any securities of the Company at any annual or special meeting of stockholders, except in accordance with Section 1; or

(viii) make any request or submit any proposal to amend the terms of this Agreement other than through non-public communications with the Company that would not be reasonably determined to trigger public disclosure obligations for any Party.

(b) Except as expressly provided in Section 1 or Section 2(a), each member of Starboard shall be entitled to:

(i) vote its or his shares on any other proposal duly brought before the 2015 Annual Meeting, or otherwise vote as each member of Starboard determines in its or his sole discretion; or

(ii) disclose, publicly or otherwise, how it intends to vote or act with respect to any securities of the Company, any stockholder proposal or other matter to be voted on by the stockholders of the Company and the reasons therefor; provided that, as applicable, all such activity is in compliance with the requirements of this Agreement.

(c) The Company agrees that it shall provide Starboard written notice of the date set for the 2016 Annual Meeting at least fifteen (15) business days prior to the date that is one hundred twenty (120) days prior to the 2016 Annual Meeting.

Section 3. Representations and Warranties of the Company. The Company represents and warrants to Starboard that (a) the Company has the corporate power and authority to execute this Agreement and to bind it thereto, (b) this Agreement has been duly and validly authorized, executed and delivered by the Company, constitutes a valid and binding obligation and agreement of the Company, and is enforceable against the Company in accordance with its terms, and (c) the execution, delivery and performance of this Agreement by the Company does not and will not violate or conflict with (i) any law, rule, regulation, order, judgment or decree applicable to the Company, or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could constitute such a breach, violation or default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which the Company is a party or by which it is bound.

Section 4. Representations and Warranties of Starboard. Starboard represents and warrants to the Company that (a) the authorized signatory of Starboard set forth on the signature page hereto has the power and authority to execute this Agreement and any other documents or agreements to be entered into in connection with this Agreement and to bind it thereto, (b) this Agreement has been duly authorized, executed and delivered by Starboard, and is a valid and binding obligation of Starboard, enforceable against Starboard in accordance with its terms, (c) the execution of this Agreement, the consummation of any of the transactions contemplated hereby, and the fulfillment of the terms hereof, in each case in accordance with the terms hereof, will not conflict with, or result in a breach or violation of the organizational documents of Starboard as currently in effect, (d) the execution, delivery and performance of this Agreement by Starboard does not and will not violate or conflict with (i) any law, rule, regulation, order, judgment or decree applicable to Starboard, or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could constitute such a breach, violation or default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which such member is a party or by which it is bound, and (e) as of the date of this Agreement, (i) Starboard is deemed to beneficially own in the aggregate 1,725,000 shares of Common Stock and (ii) Starboard does not currently have, and does not currently have any right to acquire, any interest in any other securities of the Company (or any rights, options or other securities convertible into or exercisable or exchangeable (whether or not convertible, exercisable or exchangeable immediately or only after the passage of time or the occurrence of a specified event) for such securities or any obligations measured by the price or value of any securities of the Company or any of its Affiliates, including any swaps or other derivative arrangements designed to produce economic benefits and risks that correspond to the ownership of Common Stock, whether or not any of the foregoing would give rise to beneficial ownership (as determined under Rule 13d-3 promulgated under the Exchange Act), and whether or not to be settled by delivery of Common Stock, payment of cash or by other consideration, and without regard to any short position under any such contract or arrangement).

Section 5. Press Release. Promptly following the execution of this Agreement, the Company shall issue a mutually agreeable press release (the "Press Release") announcing certain terms of this Agreement, in the form attached as Exhibit B and including an announcement in a mutually agreeable form regarding the Company's intention, to the extent market conditions allow and subject to approval of the Board, to (i) separate the Company's Chemicals and Climate Control businesses and (ii) explore a master limited partnership structure for the Company's Chemicals business, in each case after the El Dorado facility expansion projects have been completed and brought online in 2016. Prior to the issuance of the Press Release, neither the Company nor Starboard shall issue any press release or public announcement regarding this Agreement without the prior written consent of the other Party. Until the 2015 Annual Meeting, neither the Company nor Starboard nor the New Appointees shall make any public announcement or statement that is inconsistent with or contrary to the statements made in the Press Release, except as required by law or the rules of any stock exchange or with the prior written consent of the other Party.

Section 6. Specific Performance. Each of Starboard, on the one hand, and the Company, on the other hand, acknowledges and agrees that irreparable injury to the other party hereto would occur in the event any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that such injury would not be adequately compensable by the remedies available at law (including the payment of money damages). It is accordingly agreed that Starboard, on the one hand, and the Company, on the other hand (the "Moving Party"), shall each be entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms hereof, and the other party hereto will not take action, directly or indirectly, in opposition to the Moving Party seeking such relief on the grounds that any other remedy or relief is available at law or in equity. This Section 6 is not the exclusive remedy for any violation of this Agreement.

Section 7. Expenses. The Company shall reimburse Starboard for its reasonable, documented out-of-pocket fees and expenses (including legal expenses) incurred in connection with the matters related to the 2015 Annual Meeting and the negotiation and execution of this Agreement, provided that such reimbursement shall not exceed one-hundred fifty thousand dollars ($150,000) in the aggregate.

Section 8. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. It is hereby stipulated and declared to be the intention of the Parties that the Parties would have executed the remaining terms, provisions, covenants and restrictions without including any of such which may be hereafter declared invalid, void or unenforceable. In addition, the Parties agree to use their respective best efforts to agree upon and substitute a valid and enforceable term, provision, covenant or restriction for any of such that is held invalid, void or enforceable by a court of competent jurisdiction.

Section 9. Notices. Any notices, consents, determinations, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one business day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company:

LSB Industries, Inc.
16 South Pennsylvania Avenue
Oklahoma City, Oklahoma 73107
Attention: David M. Shear, Esq.
Telephone: (405) 235-4546
Facsimile: (405) 236-1209

with a copy (which shall not constitute notice) to:

Conner & Winters, LLP
1700 One Leadership Square
211 North Robinson
Oklahoma City, Oklahoma 73102
Attention: Irwin Steinhorn, Esq.
Mark Bennett, Esq.
Telephone: (405) 272-5750
Facsimile: (405) 232-2695

and

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
Attention: David A. Katz, Esq.
Gregory E. Ostling, Esq.
Telephone: (212) 403-1000
Facsimile: (212) 403-2000

If to Starboard or any member thereof:

Starboard Value and Opportunity Master Fund Ltd
c/o Starboard Value LP
830 Third Avenue, 3rd Floor
New York, New York 10022
Attention: Jeffrey C. Smith
Telephone: (212) 845-7955
Facsimile: (212) 845-7988

with a copy (which shall not constitute notice) to:

Olshan Frome Wolosky LLP
Park Avenue Tower
65 East 55th Street
New York, New York 10022
Attention: Steve Wolosky, Esq.
Andrew Freedman, Esq.
Telephone: (212) 451-2300
Facsimile: (212) 451-2222

Section 10. Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to the conflict of laws principles thereof. Each of the Parties hereto irrevocably agrees that any legal action or proceeding with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder brought by the other party hereto or its successors or assigns, shall be brought and determined exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware). Each of the Parties hereto hereby irrevocably submits, with regard to any such action or proceeding for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any action relating to this Agreement in any court other than the aforesaid courts. Each of the Parties hereto hereby irrevocably waives, and agrees not to assert in any action or proceeding with respect to this Agreement, (i) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason, (ii) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (iii) to the fullest extent permitted by applicable legal requirements, any claim that (A) the suit, action or proceeding in such court is brought in an inconvenient forum, (B) the venue of such suit, action or proceeding is improper or (C) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 11. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the Parties and delivered to the other Party (including by means of electronic delivery or facsimile).

Section 12. Entire Agreement; Amendment and Waiver; Successors and Assigns; Third Party Beneficiaries. This Agreement contains the entire understanding of the Parties hereto with respect to its subject matter. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings between the Parties other than those expressly set forth herein. No modifications of this Agreement can be made except in writing

signed by an authorized representative of each the Company and Starboard, except that the signature of an authorized representative of the Company will not be required to permit an Affiliate of Starboard to agree to be listed on Exhibit A and be bound by the terms and conditions of this Agreement. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law. The terms and conditions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective successors, heirs, executors, legal representatives, and permitted assigns. No Party shall assign this Agreement or any rights or obligations hereunder without, with respect to any member of Starboard, the prior written consent of the Company, and with respect to the Company, the prior written consent of Starboard. This Agreement is solely for the benefit of the Parties and is not enforceable by any other persons.

Section 13. Mutual Non-Disparagement. Subject to applicable law, each of the Parties covenants and agrees that, during the Standstill Period, or if earlier, until such time as the other Party or any of its agents, subsidiaries, affiliates, successors, assigns, officers, key employees or directors shall have breached this Section 13, neither it nor any of its respective agents, subsidiaries, affiliates, successors, assigns, officers, key employees or directors, shall in any way publicly disparage, call into disrepute, or otherwise defame or slander the other Parties or such other Parties' subsidiaries, affiliates, successors, assigns, officers (including any current officer of a Party or a Parties' subsidiaries who no longer serves in such capacity following the execution of this Agreement), directors (including any current director of a Party or a Parties' subsidiaries who no longer serves in such capacity following the execution of this Agreement), employees, stockholders, agents, attorneys or representatives, or any of their products or services, in any manner that would damage the business or reputation of such other Parties, their products or services or their subsidiaries, affiliates, successors, assigns, officers (or former officers), directors (or former directors), employees, stockholders, agents, attorneys or representatives. For purposes of this Section 13, the New Appointees (or, if applicable, the Replacement Director(s)) will not be deemed to be an affiliate of the Company or Starboard and no actions taken by any director, agent or other representative of a Party in any capacity other than as a representative of, and at the direction of, such Party will be covered by this Agreement.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized signatories of the Parties as of the date hereof.

LSB INDUSTRIES, INC.

By: /s/ Barry Golsen
Name: Barry Golsen
Title: Chief Executive Officer

STARBOARD:

STARBOARD VALUE AND OPPORTUNITY MASTER FUND LTD
By: Starboard Value LP, its investment manager

STARBOARD VALUE AND OPPORTUNITY S LLC
By: Starboard Value LP, its manager

STARBOARD VALUE AND OPPORTUNITY C LP
By: Starboard Value R LP, its general partner

STARBOARD VALUE R LP
By: Starboard Value R GP LLC, its general partner

STARBOARD VALUE LP
By: Starboard Value GP LLC, its General Partner

STARBOARD VALUE GP LLC
By: Starboard Value Principal Co LP, its member

STARBOARD PRINCIPAL CO LP
By: Starboard Principal Co GP LLC, its general partner

STARBOARD PRINCIPAL CO GP LLC
STARBOARD VALUE R GP LLC

By: /s/ Jeffrey C. Smith
Name: Jeffrey C. Smith
Title: Authorized Signatory

EXHIBIT A

STARBOARD

STARBOARD VALUE AND OPPORTUNITY MASTER FUND LTD
STARBOARD VALUE AND OPPORTUNITY S LLC
STARBOARD VALUE AND OPPORTUNITY C LP
STARBOARD VALUE R LP
STARBOARD VALUE LP
STARBOARD VALUE GP LLC
STARBOARD PRINCIPAL CO LP
STARBOARD PRINCIPAL CO GP LLC
STARBOARD VALUE R GP LLC
JEFFREY C. SMITH
MARK R. MITCHELL
PETER A. FELD

EXHIBIT B

PRESS RELEASE

[See Attached]

LSB INDUSTRIES AND STARBOARD VALUE REACH AGREEMENT REGARDING CORPORATE GOVERNANCE AND BOARD COMPOSITION

Company to Add Five New Independent Directors: Louis Massimo, Andrew Mittag, Marran Ogilvie, Richard Roedel and Lynn White

Announces Intention to Separate Chemicals and Climate Control Businesses and to Explore MLP Structure for Chemicals Business Following Completion of El Dorado Facility Expansion in 2016, Subject to Market Conditions and Board Approval

New Lead Independent Director Appointed and Independent Board Committee to Oversee Search for President of Chemicals Business

OKLAHOMA CITY – April 27, 2015 – LSB Industries, Inc. (NYSE: LXU) ("LSB" or "the Company"), a manufacturer of chemical products for the agricultural, mining and industrial markets and a leading manufacturer of commercial and residential climate control products, today announced that it has elected Louis G. Massimo, Andrew K. Mittag, Richard Roedel, Marran H. Ogilvie and Lynn F. White to its Board of Directors. These five new independent directors, as well as incumbent directors Richard Sanders and Barry Golsen, will stand for re-election to LSB's Board of Directors at the Company's 2015 Annual Meeting of Stockholders. Messrs. Massimo and Mittag will fill the vacancies created by the resignations, effective today, of Gail Lapidus and Robert Henry.

If re-elected by LSB's stockholders at the 2015 Annual Meeting, Ms. Ogilvie and Messrs. Roedel, Sanders, Golsen and White will have terms expiring at the 2018 Annual Meeting and Messrs. Massimo and Mittag will join the class of directors with terms expiring at the 2017 Annual Meeting. With these appointments, the LSB Board will expand to 13 directors, 11 of whom are independent and 9 of whom were appointed in the last 24 months.

"We are pleased to have reached this agreement with Starboard on the composition of the Board," said Barry Golsen, Chief Executive Officer of LSB. "On behalf of the entire Board, I would like to thank Gail Lapidus and Robert Henry for their dedicated service and contributions to the Board and LSB. We look forward to working with the new independent directors."

Mr. Golsen continued, "We remain committed to enhancing stockholder value, and we believe the improvements we are making to increase capacity and upgrade facilities will position LSB for enhanced growth and profitability. We are therefore pleased to announce our intention, once our El Dorado facility expansion projects have been completed and brought online in 2016, to the extent market conditions allow and subject to Board approval, to separate the Company's Chemicals business from its Climate Control business and to explore an MLP structure for the Chemicals business."

In connection with today's announcement, LSB has entered into an agreement with Starboard Value LP ("Starboard"), which beneficially owns approximately 7.6% of the Company's outstanding shares. Under the agreement, Starboard has agreed, among other things, not to solicit proxies or participate in any "withhold" campaign in connection with the 2015 Annual Meeting and to vote its shares in support of all of the Company's director nominees. Starboard has also agreed to vote all of its shares in accordance with the Board's recommendation with respect to the Company's say-on-pay proposal, subject to the recommendation of Institutional Shareholder Services.

In addition, the responsibilities of the Strategic Committee of the Board, which was formed in June 2014, will be expanded to include an evaluation of Company's corporate governance and management structure, related party transactions and any other governance practices of the Company deemed appropriate by the

Strategic Committee. The Strategic Committee will make recommendations to the Board based on its findings, and the Company intends to announce the Board's decisions with respect to these recommendations concurrent with its second quarter 2015 earnings release.

The Company also agreed to form an independent Board Committee to oversee the Company's previously announced executive search for a President of the Chemicals business; this committee will consist of Messrs. Daniel D. Greenwell, Sanders, Mittag and White. As previously announced the company is working with executive search firm Spencer Stuart to assist in the search.

The Company also announced that Mr. Greenwell was elected Lead Independent Director.

Jeff Smith, CEO of Starboard, stated, "We are pleased that we have been able to continue to work constructively with LSB to reach this agreement, and we look forward to meaningful value creation. We believe that strengthening the Board with highly experienced and independent directors will support the Company in executing on its plans to drive sales growth and profitability for the benefit of all shareholders. Louis Massimo, Andrew Mittag, and Lynn White bring substantial experience in the Chemicals and Fertilizer industries, which should help LSB as it continues its progress in turning around and significantly expanding this business. In addition, Marran Ogilvie and Richard Roedel bring vast corporate governance experience that we believe will be invaluable as the LSB Board reviews its governance practices.

Mr. Smith continued, "We believe that a separation of LSB's two highly valuable businesses will create substantial value for all shareholders, allowing each business to fully capitalize on the opportunities available and enabling the Chemicals businesses to consider the potential value creation available through an MLP structure following the completion of the El Dorado expansion."

Credit Suisse is serving as financial advisor to LSB and Wachtell, Lipton, Rosen & Katz and Conner & Winters, LLP are acting as legal advisors.

About Louis S. Massimo

Louis S. Massimo is a member of the Board of Directors of Calgon Carbon Corporation (NYSE:CCC), a position he has held since May 2013. Previously, Mr. Massimo served as Executive Vice President and Chief Operating Officer of Arch Chemicals (NYSE: ARJ), where he was a member of the senior leadership team and played a vital role in the successful execution and integration of all of the Company's acquisitions since its founding in 1999. Prior to that, Mr. Massimo served as Arch Chemicals' Executive Vice President and Chief Financial Officer. Prior to joining Arch Chemicals, Mr. Massimo served in various senior roles at Olin Corporation (NYSE: OLN), including Vice President, Controller, and Director of Corporate Accounting. While at Olin, Mr. Massimo was extensively involved in several major strategic changes, including the spin-off of Olin's ordnance and aerospace divisions as Primex Technologies, the divestiture of its toluene diisocyanate (TDI) business and the spin-off of its specialty chemical operations as Arch Chemicals. Mr. Massimo previously served as an audit manager for KPMG Peat Marwick for 15 years. Mr. Massimo earned his Bachelor of Business Administration in accounting from Pace University and completed Duke University's Advanced Management Program in 2000. He is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants, the New York and Connecticut Societies of Certified Public Accountants, and a past member of the Financial Executives Institute CT/Westchester Chapter

About Andrew K. Mittag

Andrew K. Mittag was a Director and a member of the Management Resources and Compensation Committee and Audit Committee of Interfor Corporation (TSX: IFP), a publicly traded Canadian lumber producer, from 2012 to 2015. From 2005 to 2014, Mr. Mittag served as Senior Vice President and

member of the leadership team of Agrium, Inc., a global retail supplier of agricultural products and services and a leading global wholesale producer and marketer of all three major agricultural nutrients. He led Agrium's corporate strategy and M&A group from 2005 to 2009 and in 2009 became President, Agrium Advanced Technologies a division of Agrium. From 2007 to 2012, Mr. Mittag served as a Director and a member of the Audit Committee of Hanfeng Evergreen, Inc., a Chinese fertilizer producer. At the time of Mr. Mittag's service, Hanfeng Evergreen, Inc. was listed on the Toronto Stock Exchange. From 2009 to 2012 Mr. Mittag served as a director for Floralla, LLC, a private fertilizer distribution company. From 2009 to 2013, Mr. Mittag was a director of Alida, LLC, a privately held fertilizer distribution company. From 2012 to 2013, Mr. Mittag was a director of Culex Environmental, a private company focused on mosquito control. Mr. Mittag received a Bachelor of Arts from Hamilton College and was awarded an MBA from Columbia University.

About Marran H. Ogilvie

Marran Ogilvie has 20 years of executive management experience and a demonstrable track record across a diverse set of business environments, including start-up, rapid growth, turnaround, merging, regulated and international businesses. Mrs. Ogilvie has served as a COO, General Counsel, Chief of Staff, public company board member, creditors committee member, and top operating executive. Mrs. Ogilvie currently serves on the boards of directors of Seventy Seven Energy Inc. (NYSE: SSE), The Korea Fund, Inc. (NYSE: KF) and ZAIS Financial Corp. (NYSE: ZFC). Mrs. Ogilvie previously served on the Creditors Committee of Lehman Brothers International and currently serves as an advisor to the committee. Mrs. Ogilvie also previously served on the board Southwest Bancorp Inc. (NASDAQ: OKSB). Mrs. Ogilvie's operating roles included Chief Operating Officer of Ramius, LCC, where she executed a merger with Cowen Group, Inc. (NASDAQ: COWN), and served as Chief of Staff of Cowen. Mrs. Ogilvie received a BA from the University of Oklahoma and a J.D. from St. John's University School of Law.

About Richard W. Roedel

Richard W. Roedel is a director of Lorillard, Inc. (NYSE: LO), Chairman of Lorillard's Audit Committee, a director and member of the Audit Committee and Chairman of the Risk Committee of IHS, Inc. (NYSE: IHS), a director and member of the Audit Committee of Six Flags Entertainment Corporation (NYSE: SIX), and a director and non-executive chairman of Luna Innovations Incorporated (NASDAQ: LUNA). From 1985 through 2000, Mr. Roedel was employed by the accounting firm BDO Seidman LLP, the United States member firm of BDO International, as an Audit Partner, being promoted in 1990 to Managing Partner in Chicago, and then to Managing Partner in New York in 1994, and finally in 1999 to Chairman and Chief Executive. Mr. Roedel joined the Board of Directors of Take-Two Interactive Software, Inc. (NASDAQ: TTWO), a publisher of video games, in November 2002 and served in various capacities with that company through June 2005 including Chairman and Chief Executive Officer. Mr. Roedel served on the Boards of Directors of Brightpoint, Inc. (NASDAQ: CELL) from 2002 to 2012 and Sealy Corporation (NYSE: ZZ) from 2006 to March 2013. He also served as a director and chairman of the audit committee of Broadview Network Holdings, Inc., a private company, until 2012. Mr. Roedel was appointed to the Public Accounting Oversight Board's Standing Advisory Group for a three-year term commencing January 1, 2014. He is also a director of the Association of Audit Committee Members, Inc., a non-profit association of audit committee members dedicated to strengthening the audit committee by developing best practices. Mr. Roedel is a certified public accountant.

About Lynn F. White

Lynn F. White is the founder and Managing Director of Twemlow Group, LLC, a consulting firm established in January 2008. From January 2008 to June 2009 and January 2013 to present, as Twemlow Group's Managing Director, Mr. White has provided strategic, organizational, and product development counsel to agriculture-related businesses. Mr. White also currently serves as Vice Chair of the Dean's

Advisory Council of the College of Agriculture, Food and Environmental Sciences at California Polytechnic State University, San Luis Obispo. From June 2009 through December 2012, Mr. White served as Vice President, Corporate Development of CF Industries Holdings, Inc. (NYSE: CF), one of the world's largest manufacturers and distributors of nitrogen and phosphate fertilizer products. At CF Industries, Mr. White was responsible for external growth initiatives, including mergers and acquisitions and organic efforts; new product development; leading the integration of the $4.6 billion acquisition of Terra, Inc., and as a member of the senior leadership team, corporate strategy. He also served as Non-executive Chairman of GrowHow UK Limited, the leading British nitrogen fertilizer producer, and as a director of KEYTRADE AG, a major Switzerland-based fertilizer trading firm. From 2005 to 2007, Mr. White was the President, John Deere Agri Services of Deere & Co., a global supplier of equipment and services to agriculture, construction, forestry, and landscape markets. From 2000 to 2005, Mr. White served as the Vice President, Global AgServices of Deere & Co. From 1997 to 1999, Mr. White was Senior Vice President, Corporate Development of IMC Global, Inc. (n/k/a Mosaic, Inc.), and from 1979 to 1996, Mr. White served in a variety of leadership positions in the US and Europe at FMC Corporation, a producer of chemicals and machinery. Mr. White holds a BA in History with Highest Honors from California Polytechnic State University, San Luis Obispo and an MBA in Finance and Multinational Enterprise from the Wharton Graduate School of Business at the University of Pennsylvania.

About LSB Industries, Inc.

LSB is a manufacturing and marketing company. LSB's principal business activities consist of the manufacture and sale of chemical products for the agricultural, mining, and industrial markets, and the manufacture and sale of commercial and residential climate control products, such as geothermal and water source heat pumps, hydronic fan coils and modular geothermal chillers, and large custom air handlers.

Forward-Looking Statements

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identified by use of the words "believes", "expects", "intends", "anticipates", "plans to", "estimates", "projects", "should" or similar expressions, including, without limitation, statements regarding enhancing stockholder value, enhanced growth and profitability, expanding the Chemicals business, El Dorado expansion projects completed and brought online in 2016, and matters relating to the 2015 Annual Meeting. Actual results may differ materially from the forward-looking statements as a result of various future events, including, without limitation, the various factors described in the "Special Note Regarding Forward-Looking Statements" and the "Risk Factors" contained in our most recent Form 10-K for year ended December 31, 2014. These forward-looking statements speak only as of the date of this press release, and LSB expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in LSB's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Company Contact:

Tony M. Shelby, Chief Financial Officer
(405) 235-4546
Or
Mark Behrman, Senior Vice President
(405) 235-4546 x11214

Media Contact:

Tim Lynch / Sharon Stern / Joe Berg
Joele Frank, Wilkinson Brimmer Katcher
(212) 355-4449

Exhibit 99.2

LSB INDUSTRIES AND STARBOARD VALUE REACH AGREEMENT REGARDING CORPORATE GOVERNANCE AND BOARD COMPOSITION

Company to Add Five New Independent Directors: Louis Massimo, Andrew Mittag, Marran Ogilvie, Richard Roedel and Lynn White

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New Lead Independent Director Appointed and Independent Board Committee to Oversee Search for President of Chemicals Business

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If re-elected by LSB's stockholders at the 2015 Annual Meeting, Ms. Ogilvie and Messrs. Roedel, Sanders, Golsen and White will have terms expiring at the 2018 Annual Meeting and Messrs. Massimo and Mittag will join the class of directors with terms expiring at the 2017 Annual Meeting. With these appointments, the LSB Board will expand to 13 directors, 11 of whom are independent and 9 of whom were appointed in the last 24 months.

"We are pleased to have reached this agreement with Starboard on the composition of the Board," said Barry Golsen, Chief Executive Officer of LSB. "On behalf of the entire Board, I would like to thank Gail Lapidus and Robert Henry for their dedicated service and contributions to the Board and LSB. We look forward to working with the new independent directors."

Mr. Golsen continued, "We remain committed to enhancing stockholder value, and we believe the improvements we are making to increase capacity and upgrade facilities will position LSB for enhanced growth and profitability. We are therefore pleased to announce our intention, once our El Dorado facility expansion projects have been completed and brought online in 2016, to the extent market conditions allow and subject to Board approval, to separate the Company's Chemicals business from its Climate Control business and to explore an MLP structure for the Chemicals business."

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The Company also agreed to form an independent Board Committee to oversee the Company's previously announced executive search for a President of the Chemicals business; this committee will consist of Messrs. Daniel D. Greenwell, Sanders, Mittag and White. As previously announced the company is working with executive search firm Spencer Stuart to assist in the search.

The Company also announced that Mr. Greenwell was elected Lead Independent Director.

Jeff Smith, CEO of Starboard, stated, "We are pleased that we have been able to continue to work constructively with LSB to reach this agreement, and we look forward to meaningful value creation. We believe that strengthening the Board with highly experienced and independent directors will support the Company in executing on its plans to drive sales growth and profitability for the benefit of all shareholders. Louis Massimo, Andrew Mittag, and Lynn White bring substantial experience in the Chemicals and Fertilizer industries, which should help LSB as it continues its progress in turning around and significantly expanding this business. In addition, Marran Ogilvie and Richard Roedel bring vast corporate governance experience that we believe will be invaluable as the LSB Board reviews its governance practices.

Mr. Smith continued, "We believe that a separation of LSB's two highly valuable businesses will create substantial value for all shareholders, allowing each business to fully capitalize on the opportunities available and enabling the Chemicals businesses to consider the potential value creation available through an MLP structure following the completion of the El Dorado expansion."

Credit Suisse is serving as financial advisor to LSB and Wachtell, Lipton, Rosen & Katz and Conner & Winters, LLP are acting as legal advisors.

About Louis S. Massimo

Louis S. Massimo is a member of the Board of Directors of Calgon Carbon Corporation (NYSE:CCC), a position he has held since May 2013. Previously, Mr. Massimo served as Executive Vice President and Chief Operating Officer of Arch Chemicals (NYSE: ARJ), where he was a member of the senior leadership team and played a vital role in the successful execution and integration of all of the Company's acquisitions since its founding in 1999. Prior to that, Mr. Massimo served as Arch Chemicals' Executive Vice President and Chief Financial Officer. Prior to joining Arch Chemicals, Mr. Massimo served in various senior roles at Olin Corporation (NYSE: OLN), including Vice President, Controller, and Director of Corporate Accounting. While at Olin, Mr. Massimo was extensively involved in several major strategic changes, including the spin-off of Olin's ordnance and aerospace divisions as Primex Technologies, the divestiture of its toluene diisocyanate (TDI) business and the spin-off of its specialty chemical operations as Arch Chemicals. Mr. Massimo previously served as an audit manager for KPMG Peat Marwick for 15 years. Mr. Massimo earned his Bachelor of Business Administration in accounting from Pace University and completed Duke University's Advanced Management Program in 2000. He is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants, the New York and Connecticut Societies of Certified Public Accountants, and a past member of the Financial Executives Institute CT/Westchester Chapter

About Andrew K. Mittag

Andrew K. Mittag was a Director and a member of the Management Resources and Compensation Committee and Audit Committee of Interfor Corporation (TSX: IFP), a publicly traded Canadian lumber producer, from 2012 to 2015. From 2005 to 2014, Mr. Mittag served as Senior Vice President and

member of the leadership team of Agrium, Inc., a global retail supplier of agricultural products and services and a leading global wholesale producer and marketer of all three major agricultural nutrients. He led Agrium's corporate strategy and M&A group from 2005 to 2009 and in 2009 became President, Agrium Advanced Technologies a division of Agrium. From 2007 to 2012, Mr. Mittag served as a Director and a member of the Audit Committee of Hanfeng Evergreen, Inc., a Chinese fertilizer producer. At the time of Mr. Mittag's service, Hanfeng Evergreen, Inc. was listed on the Toronto Stock Exchange. From 2009 to 2012 Mr. Mittag served as a director for Floralla, LLC, a private fertilizer distribution company. From 2009 to 2013, Mr. Mittag was a director of Alida, LLC, a privately held fertilizer distribution company. From 2012 to 2013, Mr. Mittag was a director of Culex Environmental, a private company focused on mosquito control. Mr. Mittag received a Bachelor of Arts from Hamilton College and was awarded an MBA from Columbia University.

About Marran H. Ogilvie

Marran Ogilvie has 20 years of executive management experience and a demonstrable track record across a diverse set of business environments, including start-up, rapid growth, turnaround, merging, regulated and international businesses. Mrs. Ogilvie has served as a COO, General Counsel, Chief of Staff, public company board member, creditors committee member, and top operating executive. Mrs. Ogilvie currently serves on the boards of directors of Seventy Seven Energy Inc. (NYSE: SSE), The Korea Fund, Inc. (NYSE: KF) and ZAIS Financial Corp. (NYSE: ZFC). Mrs. Ogilvie previously served on the Creditors Committee of Lehman Brothers International and currently serves as an advisor to the committee. Mrs. Ogilvie also previously served on the board Southwest Bancorp Inc. (NASDAQ: OKSB). Mrs. Ogilvie's operating roles included Chief Operating Officer of Ramius, LCC, where she executed a merger with Cowen Group, Inc. (NASDAQ: COWN), and served as Chief of Staff of Cowen. Mrs. Ogilvie received a BA from the University of Oklahoma and a J.D. from St. John's University School of Law.

About Richard W. Roedel

Richard W. Roedel is a director of Lorillard, Inc. (NYSE: LO), Chairman of Lorillard's Audit Committee, a director and member of the Audit Committee and Chairman of the Risk Committee of IHS, Inc. (NYSE: IHS), a director and member of the Audit Committee of Six Flags Entertainment Corporation (NYSE: SIX), and a director and non-executive chairman of Luna Innovations Incorporated (NASDAQ: LUNA). From 1985 through 2000, Mr. Roedel was employed by the accounting firm BDO Seidman LLP, the United States member firm of BDO International, as an Audit Partner, being promoted in 1990 to Managing Partner in Chicago, and then to Managing Partner in New York in 1994, and finally in 1999 to Chairman and Chief Executive. Mr. Roedel joined the Board of Directors of Take-Two Interactive Software, Inc. (NASDAQ: TTWO), a publisher of video games, in November 2002 and served in various capacities with that company through June 2005 including Chairman and Chief Executive Officer. Mr. Roedel served on the Boards of Directors of Brightpoint, Inc. (NASDAQ: CELL) from 2002 to 2012 and Sealy Corporation (NYSE: ZZ) from 2006 to March 2013. He also served as a director and chairman of the audit committee of Broadview Network Holdings, Inc., a private company, until 2012. Mr. Roedel was appointed to the Public Accounting Oversight Board's Standing Advisory Group for a three-year term commencing January 1, 2014. He is also a director of the Association of Audit Committee Members, Inc., a non-profit association of audit committee members dedicated to strengthening the audit committee by developing best practices. Mr. Roedel is a certified public accountant.

About Lynn F. White

Lynn F. White is the founder and Managing Director of Twemlow Group, LLC, a consulting firm established in January 2008. From January 2008 to June 2009 and January 2013 to present, as Twemlow Group's Managing Director, Mr. White has provided strategic, organizational, and product development counsel to agriculture-related businesses. Mr. White also currently serves as Vice Chair of the Dean's

Advisory Council of the College of Agriculture, Food and Environmental Sciences at California Polytechnic State University, San Luis Obispo. From June 2009 through December 2012, Mr. White served as Vice President, Corporate Development of CF Industries Holdings, Inc. (NYSE: CF), one of the world's largest manufacturers and distributors of nitrogen and phosphate fertilizer products. At CF Industries, Mr. White was responsible for external growth initiatives, including mergers and acquisitions and organic efforts; new product development; leading the integration of the $4.6 billion acquisition of Terra, Inc., and as a member of the senior leadership team, corporate strategy. He also served as Non-executive Chairman of GrowHow UK Limited, the leading British nitrogen fertilizer producer, and as a director of KEYTRADE AG, a major Switzerland-based fertilizer trading firm. From 2005 to 2007, Mr. White was the President, John Deere Agri Services of Deere & Co., a global supplier of equipment and services to agriculture, construction, forestry, and landscape markets. From 2000 to 2005, Mr. White served as the Vice President, Global AgServices of Deere & Co. From 1997 to 1999, Mr. White was Senior Vice President, Corporate Development of IMC Global, Inc. (n/k/a Mosaic, Inc.), and from 1979 to 1996, Mr. White served in a variety of leadership positions in the US and Europe at FMC Corporation, a producer of chemicals and machinery. Mr. White holds a BA in History with Highest Honors from California Polytechnic State University, San Luis Obispo and an MBA in Finance and Multinational Enterprise from the Wharton Graduate School of Business at the University of Pennsylvania.

About LSB Industries, Inc.

LSB is a manufacturing and marketing company. LSB's principal business activities consist of the manufacture and sale of chemical products for the agricultural, mining, and industrial markets, and the manufacture and sale of commercial and residential climate control products, such as geothermal and water source heat pumps, hydronic fan coils and modular geothermal chillers, and large custom air handlers.

Forward-Looking Statements

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identified by use of the words "believes", "expects", "intends", "anticipates", "plans to", "estimates", "projects", "should" or similar expressions, including, without limitation, statements regarding enhancing stockholder value, enhanced growth and profitability, expanding the Chemicals business, El Dorado expansion projects completed and brought online in 2016, and matters relating to the 2015 Annual Meeting. Actual results may differ materially from the forward-looking statements as a result of various future events, including, without limitation, the various factors described in the "Special Note Regarding Forward-Looking Statements" and the "Risk Factors" contained in our most recent Form 10-K for year ended December 31, 2014. These forward-looking statements speak only as of the date of this press release, and LSB expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in LSB's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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EMPLOYMENT AGREEMENT
(Barry H. Golsen)

THIS EMPLOYMENT AGREEMENT ("***Agreement***") is effective the 27th day of April 2015 (the "***Effective Date***"), by and between LSB INDUSTRIES, INC., a Delaware corporation (the "***Company***"), and BARRY H. GOLSEN (the "***Executive***"). In consideration of the mutual promises made in this Agreement, the Company and the Executive agree as follows.

WITNESSETH

WHEREAS, the Executive has been employed as President and Chief Operating Officer of the Company since 2004, and was appointed as the Chief Executive Officer ("***CEO***"), in addition to his then current position as President, of the Company effective January 1, 2015;

WHEREAS, as a result of the Executive's promotion, the Company and the Executive desire to modify the terms of the Executives compensation and employment, pursuant to the terms as provided herein; and

WHEREAS, the Company and the Executive entered into a certain Severance Agreement, dated March 3, 2014 (the "***Severance Agreement***"), and the Company and the Executive desire to terminate the Severance Agreement as of the Effective Date due to applicable severance provisions being included in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and the Executive hereby agree as follows:

1. **Employment; Term**.

1.1 Employment. The Company shall continue to employ Executive, and Executive accepts continued employment with the Company, as the Company's CEO and President of the Company upon the terms and conditions set forth in this Agreement.

1.2 Term**.** Unless earlier terminated as provided in this Agreement, the initial term of this Agreement shall begin on the Effective Date and end on the third anniversary of the Effective Date (the "***Initial Term***"). At the end of the Initial Term this Agreement will automatically be extended for one (1) additional year unless at least six (6) months prior to the expiration of the Initial Term, the Company or the Executive shall have given written notice to the other not to extend the term of this Agreement. The Initial Term, as may be extended, is hereinafter referred to as the "***Employment Period***."

2. **Capacities, Duties and Authority.**

2.1 Capacities. During the Employment Period, the Executive shall serve as, and the Company shall employ the Executive as, the CEO and President of the Company, in such capacities, with such duties and authority, for such period, at such level of

compensation and with such benefits and upon such other terms and subject to such other conditions, as are set forth in this Agreement. Throughout the Employment Period, the Executive shall report to the Board of Directors of the Company (the "***Board***").

2.2 Duties and Authority. In his capacity as CEO of the Company, the Executive shall participate as head of the Company's senior leadership team and shall have the authorities, duties and responsibilities as he currently exercises as CEO and President and such other authorities and duties as are customarily performed by persons acting in such capacity for similarly situated public companies. The Executive shall render his services diligently and faithfully and devote the Executive's reasonable efforts and full professional time and attention to the business and affairs of the Company. The Executive shall use reasonable efforts to follow and be bound by the terms of the Company's Code of Ethics for CEO and Senior Financial Officers, as may be amended by the Board from time to time, and any other policies applicable to senior management personnel as the Company from time to time may adopt; provided in any such case the Executive has acknowledged receipt of a copy of any such amended Code or other policy. Notwithstanding the foregoing, the Executive may serve on up to two (2) other boards of directors of publicly-held companies that do not compete with the Company or any subsidiary of the Company, without the approval of the Board, but which the Executive discloses to the Company, or engage in, or participate on the board of directors of, religious or charitable organizations or participate in other community activities as long as such services and activities are disclosed to the Board and do not materially interfere with the Executive's performance of his duties to the Company as provided in this Agreement.

2.3 Location. The principal place(s) of employment of the Executive shall be the Company's executive offices in Oklahoma City, Oklahoma, subject to reasonable travel requirements, consistent with the nature of the Executive's duties from time to time, for the business of the Company or the Company's subsidiaries.

3. **Compensation.**

3.1 Base Salary. Commencing on the Effective Date, the Executive shall be paid a base salary during the Employment Period at the annual rate of $800,000, payable in accordance with the regular payroll practices of the Company in effect from time to time. The Board or its Compensation and Stock Option Committee (the "***Compensation Committee***") shall annually review the Executive's performance and determine, in its sole discretion, whether or not to increase the Executive's base salary and, if so, the amount of such increase. The Executive's base salary shall not be decreased without the written consent of the Executive. The Executive's base salary, as increased from time to time, is hereinafter referred to as the "***Base Salary.***"

3.2 Annual Bonus. The Executive will be eligible for, and considered by the Compensation Committee for, an annual bonus each calendar year, based upon

his performance and the financial performance of the Company for such year and such other Company performance guidelines as may be established by the Compensation Committee or the Board in connection with the payment of bonuses by the Company to its senior executive officers; provided, however, that the amount of the Annual Bonus to be awarded to the Executive for each calendar year during the Employment Period as determined by the Compensation Committee or the Board shall be targeted at not less than 100% of the Executive's Base Salary for the calendar for which the Annual Bonus is related and shall not exceed 200% of the Executive's Base Salary for the calendar year for which the Annual Bonus is related (an "***Annual Bonus***"). Each such Annual Bonus awarded to the Executive by the Compensation Committee shall be paid no later than March 15 of the following year to which the bonus relates, provided that such times are not prohibited under Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***") and the regulations and guidance promulgated thereunder ("***Section 409A***").

4. **Equity Awards.**

4.1 Equity Plans and Other Programs. The Executive shall be entitled to participate in the Company's 2008 Stock Incentive Plan (as may be amended from time to time) and such other equity plans or programs adopted by the Company (collectively, the "***Plans***") and will receive allotments (grants) under such Plans commensurate with his level of responsibility in relation to other grants thereunder as determined in the sole discretion of the Board, the Compensation Committee or other committee of the Board designated by the Board for such purpose.

4.2 Acceleration. Notwithstanding anything to the contrary contained in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, in the event of (a) the Executive's employment with the Company is terminated with 24 months following a Change in Control (defined below in Section 8.4(f)) as provided in Section 8.4(e) or (b) the termination of Executive's employment hereunder pursuant to any of Sections 8.1(a), (b) and (c) below, all of the Executive's then outstanding stock options and other equity awards, if any, granted by the Company to the Executive shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the earlier to occur of (i) the date of such termination of employment after the Company incurs such Change in Control and (ii) with respect to clause (b) above, the applicable Date of Termination (as defined in Section 8.3 below) and in the manner (and to the extent) expressly set forth in Section 8.4 below with respect to such termination.

5. **Fringe Benefits.** During the Employment Period, the Executive shall be entitled to participate in and have the benefit of all group life, disability, dental, hospital, surgical and major medical insurance plans and programs and other employee benefit plans and programs as generally are made available to executive personnel of the Company, including any 401(k) or other profit sharing plan, subject to the terms of such plans, as such plans may be adopted,

amended, and terminated from time to time. The Executive shall also be added or continued, as the case may be, as an insured under the Company's officers and directors insurance policy and all other policies which pertain to executive officers of the Company. The Executive shall, at the Executive's option, receive the use of a Company car or a car allowance of $650 per month, as such amount may be increased from time to time, during the Employment Period, in the sole discretion of the Compensation Committee or the Board.

6. **Reimbursement of Expenses.** The Company shall pay to the Executive the reasonable expenses incurred by him in the performance of his duties in connection with business related travel or entertainment in accordance with the Company's policies, as may be amended from time to time, or, if such expenses are paid directly by the Executive, the Company shall promptly reimburse the Executive, subject to presentation of adequate substantiation, including receipts, for the reasonable travel, entertainment, lodging and other business expenses incurred by the Executive in accordance with the Company's expense reimbursement policy in effect at the time such expenses are incurred.

7. **Vacation.** The Executive shall be entitled to four (4) weeks of paid vacation per year.

8. **Termination of Employment.**

8.1 Termination. Subject to the terms of this Agreement, the Executive's employment hereunder shall terminate under the following circumstances:

(a) Death. The Executive's employment under this Agreement shall terminate upon his death;

(b) Disability. If the Executive suffers a Disability (defined below in this Section 8.1(b)), the Company may terminate the Executive's employment under this Agreement upon written Notice of Termination (defined in Section 8.2 hereof) with respect to such Disability to the Executive at least 30 days prior to the effective Date of Termination (defined in Section 8.3 hereof) for such termination. For purposes of this Agreement, "***Disability***" shall mean the Executive's inability to perform his duties and responsibilities hereunder because of physical or mental illness or incapacity, which condition has continued for a period of more than 180 consecutive days, as determined by the Board in good faith and supported by competent medical evidence. Notwithstanding the foregoing, if the Executive has recovered from a Disability and returned to full-time service prior to the Date of Termination set forth in the Notice of Termination relating thereto, the Company may not thereafter terminate the Executive's employment under this Agreement in respect of such Disability.

(c) Good Reason. The Executive may terminate his employment under this Agreement for Good Reason (defined below in this Section 8.1(c)) at any time on or prior to the 60th day after the occurrence of any of the Good Reason events set forth in the following sentence; provided, however, that, within 30 days after the occurrence of any such event, the Executive

shall have provided the Company with a Notice of Termination with respect to such event and afforded the Company a period of 30 days after its receipt of such Notice of Termination to cure the default that constitutes the Good Reason event relied upon by the Executive for such termination. For purposes of this Agreement, "***Good Reason***" shall mean the occurrence, during the Employment Period, of any of the following events without the Executive's prior written consent:

(i) the failure by the Company to timely comply with its material obligations and agreements contained in this Agreement; or

(ii) the removal of the Executive from the position of, or the loss by the Executive of the title of, CEO of the Company; or

(iii) a material diminution of the authorities, duties or responsibilities of the Executive set forth in Section 2 of this Agreement; or

(iv) the relocation of the Executive to an office outside of the Oklahoma City, Oklahoma metropolitan area; or

(v) the Executive being required to report to someone other than the Board.

The parties agree that a termination for Good Reason shall be treated as an involuntary separation under Section 409A.

(d) Without Good Reason. The Executive may voluntarily terminate his employment under this Agreement without Good Reason upon written Notice of Termination to the Company at least 30 days prior to the effective Date of Termination (which termination the Company may, in its sole discretion, make effective earlier than the date set forth in the Executive's Notice of Termination).

(e) Cause. Subject to the terms of this Agreement, the Company may terminate the Executive's employment under this Agreement for Cause (defined below in this Section 8.1(e)) at any time after the occurrence of any of the events set forth in the following sentence; provided, however, that the Company shall have provided the Executive with a Notice of Termination with respect to such event. For purposes of this Agreement, "***Cause***" shall mean the occurrence, during the Employment Period, of any of the following events:

(i) a material and willful violation by the Executive of the then most recent Code of Business Conduct of the Company acknowledged and signed by the Executive or the Confidentiality and Assignment Agreement by the Board with the consent of the Executive then in effect between the Company and the Executive (the "***Confidentiality and Assignment Agreement***"), which violation is

not cured by the Executive within 60 days after receipt by the Executive of written notice from the Company to cure and such violation results in material damage to the Company on a consolidated basis;

(ii) the ultimate conviction (after all appeals have been decided) of the Executive of a felony involving moral turpitude by a federal or state court of competent jurisdiction; or

(iii) if the Executive's serious willful misconduct or willful gross neglect of duties has resulted in a material damage to the Company and its subsidiaries taken as a whole; provided that (A) no action or failure to act by Executive will constitute a reason for termination if the Executive believed in good faith that such action or failure to act was in the Company's or its subsidiaries' best interest and (B) failure of the Executive to perform his duties hereunder due to a disability shall not be considered willful gross misconduct or willful gross neglect of duties for any purpose.

For purposes of this Section 8.1, no act, or failure to act, on the part of the Executive shall be considered "willful," unless done, or omitted to be done, by him in bad faith and without reasonable belief that his action or omission was in, or not opposed to, the best interests of the Company.

(f) Without Cause. Subject to the terms of this Agreement, the Company may terminate the Executive's employment under this Agreement without Cause upon 30 days prior written Notice of Termination with respect thereto by the Company to the Executive.

8.2 Notice of Termination. Any termination of the Executive's employment by the Company or by the Executive (other than termination by reason of the Executive's death) shall be communicated by written Notice of Termination to the other party to this Agreement. For purposes of this Agreement, a "***Notice of Termination***" shall mean a written notice which shall set forth the applicable Date of Termination (defined in Section 8.3, below), indicate the specific termination provision in this Agreement relied upon and set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated.

8.3 Date of Termination. The "***Date of Termination***" shall mean (a) if the Executive's employment is terminated by his death, the date of his death, (b) if the Executive's employment is terminated pursuant to Section 8.1(b) above, 30 days after Notice of Termination is given, (c) if the Executive's employment is terminated pursuant to Sections 8.1(c) or 8.1(e) above, the date specified in the Notice of Termination after the expiration of any applicable cure periods, (d) if the Executive's employment is terminated pursuant to Section 8.1(d) above, the date specified in the Notice of Termination which shall be at least 45 days after

Notice of Termination is given, or such earlier date as the Company shall determine, in its sole discretion, and (e) if the Executive's employment is terminated pursuant to Section 8.1(f) above, the date specified in the Notice of Termination, which shall be at least 30 days after the Notice of Termination is given.

8.4 Obligations of the Company Upon Termination.

(a) Termination upon Death. In the event of the Executive's death during the Employment Period, the Company shall pay or provide to the Executive's estate in a lump sum cash payment within 10 days following the Date of Termination (except as otherwise provided in this Section 8.4(a)):

(i) any earned but unpaid Base Salary through the Date of Termination;

(ii) reimbursement for any unreimbursed expenses properly incurred and paid in accordance with Section 6, above, through the Date of Termination;

(iii) payment for any accrued but unused vacation time in accordance with Company policy;

(iv) such vested accrued benefits and other payments, if any, as to which the Executive (and his eligible dependents) may be entitled under, and in accordance with the terms and conditions of, the employee benefit arrangements, plans and programs of the Company as of the Date of Termination, other than any severance pay plan ((i) through (iv) of this Section 8.4(a), the "***Amounts and Benefits***");

(v) any bonuses earned by the Executive but remaining unpaid for any year prior to the year in which the Date of Termination occurs (the "***Prior Year Bonuses***");

(vi) a "***Pro-Rata Bonus***", which for purposes of this Agreement means (A) in the event the Company has established one or more executive bonus programs with performance goals covering the year in which the Date of Termination occurs, a pro-rata portion of the aggregate bonuses payable under such bonus programs for the year in which the Date of Termination occurs (determined by multiplying the amount of the Executive's bonus which would be due for the full year by a fraction, the numerator of which is the number of days that the Executive was employed by the Company in the year in which the Date of Termination occurs and the denominator of which is 365), provided that the performance goals established with respect to the entire such year are met, and provided, further, that in the event the Date of Termination occurs

prior to the determination of performance goals applicable to the performance period for the year of the Executive's termination of employment, the performance criteria applicable to the Executive in respect of the Pro-Rata Bonus shall be at least as favorable to the Executive as the most favorable performance criteria applicable for that year to any award to a named executive officer of the Company, within the meaning of Section 402(a)(3) of Regulation S-K promulgated by the Securities and Exchange Commission; or (B) in the event the Company has not established an executive bonus plan with performance goals covering the year in which the Date of Termination occurs, a pro-rata portion of the bonus earned by the Executive pursuant to Section 3.2 of this Agreement for the year prior to the year in which the Date of Termination occurs (determined by multiplying the amount of the bonus earned by the Executive for the year prior to the year in which the Date of Termination occurs by a fraction, the numerator of which is the number of days that the Executive was employed by the Company in the year in which the Date of Termination occurs and the denominator of which is 365). If payable under (A), the Pro-Rata Bonus shall be payable in due course pursuant to the terms of the applicable bonus programs but in no event later than March 15 of the calendar year following the calendar year to which the bonus relates (B), the Pro-Bonus shall be payable within thirty (30) days following the Date of Termination;

(vii) subject to (A) the Executive's (or in the event of the Executive's death, his dependent's) timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***"), and (B) the Executive's (or in the event of the Executive's death, his dependent's) continued copayment of premiums at the same level and cost to the Executive as if the Executive were an employee of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Executive (and the Executive's eligible dependents, as the case may be) for a period of eighteen (18) months at the Company's expense, provided that the Executive (or eligible dependent) is eligible and remains eligible for COBRA coverage; and provided, further, that in the event that the Executive obtains other employment that offers group health benefits, such continuation of coverage by the Company shall immediately cease (the benefits and conditions specified in this Section 8.4(a)(vii), "***Medical Continuation Benefits***"); and

(viii) notwithstanding anything to the contrary contained herein or in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, all of the Executive's then outstanding stock options and other equity awards, if any, granted by the Company to the Executive pursuant to any such agreement shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the Date of Termination, with such options and awards remaining exercisable for the lesser of the original option term or twelve (12) months from the date of the Executive's death.

In addition to the above, the Company shall, at the Company's expense, obtain within 60 days after the Effective Date, and shall maintain during the Employment Period, a life insurance policy on the life of the Executive issued by a highly rated life insurance company reasonably satisfactory to the Executive that will pay the estate of the Executive in a lump sum cash payment in the amount of $3.0 million upon the death of the Executive, with such life insurance policy containing such terms and conditions as are reasonably satisfactory to the Executive.

(b) Termination Due to Disability. If the Executive's employment is terminated by the Company due to his Disability during the Employment Period, the Company shall pay or provide to the Executive on the Date of Termination (except, and only to the extent that, a later date is expressly provided in this Section 8.4(b)):

(i) a lump sum, cash payment in the total amount equal to 2.0 times the amount equal to the sum of (A) the Executive's Base Salary as of the Date of Termination, plus (B) the amount of the Executive's Annual Bonus with respect to the calendar year immediately preceding the year in which the Date of Termination occurs (the "***Severance Payment***"), subject to receipt by the Company of a release executed by the Executive pursuant to and in accordance with Section 8.5 hereof;

(ii) the Amounts and Benefits;

(iii) the Prior Year Bonuses;

(iv) the Pro-Rata Bonus;

(v) the Medical Continuation Benefits; and

(vi) notwithstanding anything to the contrary contained herein or in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, all of the Executive's then outstanding stock options and other equity

awards, if any, granted by the Company to the Executive pursuant to any such agreement shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the Date of Termination.

(c) Termination for Cause or without Good Reason. If the Executive's employment is terminated by the Company for Cause or by the Executive without Good Reason during the Employment Period, the Executive shall receive from the Company the Amounts and Benefits within 30 days of the Date of Termination, the Executive's non-vested stock options and other non-vested equity awards shall be immediately and automatically forfeited, the Executive shall be entitled to exercise any of his vested options and other vested equity award within the sixty (60) consecutive day period immediately following the termination of the Executive's employment (but not after the original option term), and retain his other vested equity awards, and the Company shall have no further obligation with respect to this Agreement other than as provided in Section 10 below.

(d) Termination without Cause or for Good Reason. If the Executive terminates his employment under this Agreement for Good Reason or the Company terminates the Executive's employment hereunder without Cause (other than a termination by reason of death or Disability) during the Employment Period, and the Executive has not received and is not entitled to any payment under Sections 8.4(e) hereof, then the Company shall pay or provide the Executive on the Date of Termination (except, and only to the extent that, a later date is expressly provided in this Section 8.4(e)):

(i) a lump sum, cash payment in the total amount equal to the Severance Payment, subject to receipt by the Company of a release executed by the Executive pursuant to and in accordance with Section 8.5 hereof;

(ii) the Amounts and Benefits;

(iii) the Prior Year Bonuses;

(iv) the Pro-Rata Bonus;

(v) the Medical Continuation Benefits; and

(vi) in the event a Change in Control shall not have theretofore occurred, and the Company has terminated the Executive's employment under this Agreement without Cause or the Executive has terminated his employment under this Agreement for Good Reason, notwithstanding anything to the contrary contained herein or in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, all

of the Executive's then outstanding stock options and other equity awards, if any, granted by the Company to the Executive pursuant to any such agreement shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the Date of Termination., and the Executive shall be entitled to exercise such options within the sixty (60) consecutive day period immediately following the Date of Termination (but not after the original option term).

(e) Termination Following a Change in Control If the Executive terminates his employment under this Agreement for Good Reason or the Company terminates the Executive's employment hereunder without Cause (other than a termination by reason of death or Disability) within 24 months after a Change in Control (defined below in this Section 8.4(e)), then the Company shall pay or provide the Executive on the Date of Termination (except, and only to the extent that, a later date is expressly provided in this Section 8.4(e)):

(i) a lump sum cash payment in the total amount equal to 2.9 times the amount equal to the sum of (A) the Executive's Base Salary as of the Date of Termination plus (B) the amount of Executive's Annual Bonus with respect to the calendar year immediately preceding the year in which the Date of Termination occurs ("***Change in Control Severance Payment***"), subject to receipt by the Company of a release executed by the Executive pursuant to and in accordance with Section 8.5 hereof;

(ii) the Amounts and Benefits;

(iii) the Prior Year Bonuses;

(iv) the Pro-Rata Bonus;

(v) the Medical Continuation Benefits; and

(vi) notwithstanding anything to the contrary contained herein or in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, all of the Executive's then outstanding stock options and other equity awards, if any, granted by the Company to the Executive pursuant to any such agreement shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the Date of Termination.

(f) Change in Control. For purposes of this Agreement, a "***Change in Control***" means any of the following events occurring during the Employment Period:

(i) individuals who, as of April 1, 2015, constitute the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the Board; provided, however, that any person becoming a director subsequent to April 1, 2015, whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, or other actual or threatened solicitation of proxies by or on behalf of an individual, entity or group other than the Board relating to the election of the directors of the Company) shall be deemed to be, for purposes of this Agreement, a member of the Incumbent Board; or

(ii) the date that any one person, or more than one person acting as a group (as defined in Treas. Regs. Section 1.409A-3), acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than fifty percent (50%) of the total fair market value or total voting power of the stock of the Company; or

(iii) the date any one person, or more than one person acting as a group (as defined in Treas. Regs. Section 1.409A-3), acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Company possessing thirty percent (30%) or more of the total voting power of the stock of the Company, other than the acquisition by

(A) any Person or group, which as of the date hereof has such ownership; or

(B) any of the Golsen Group (as defined below).

For the purposes of this Agreement, the term "***Golsen Group***" shall mean:

(1) Jack E. Golsen;

(2) the spouse of Jack E. Golsen;

(3) Barry H. Golsen, Steven J. Golsen and Linda Golsen Rappaport, who are the children of Jack E. Golsen, or any spouse of such children;

(4) any estate of, or the executor or administrator of any estate of, or any guardian or custodian for, any Person described in subparagraphs (1), (2), or (3), above, so long as such executor, administrator, guardian or custodian is acting only in his, her or its capacity as such;

(5) any corporation, trust (including any voting trust), general partnership, limited partnership, limited liability company, organization or other entity (whether now existing or hereafter formed) of which at least 80% of the outstanding beneficial voting or equity interest are beneficially owned, directly or indirectly, either (i) by one or more of the Persons described in subparagraphs (1), (2), (3), or (4), above, or (ii) by any combination of one or more of the Persons described in subparagraphs (1), (2), (3), or (4), above; and,

(6) any other Person (i) who or which is or becomes an Affiliate or Associate of any Person described in subparagraph (1), (2), (3), (4), or (5), above, or (ii) of which any Person described in subparagraph (1), (2), (3), (4), or (5), above, is or becomes an Affiliate or Associate; provided, however, in either case (i) or case (ii) of this subparagraph (6), such other Person is not the Beneficial Owner of 5% or more of the shares of Common Stock of the Company then outstanding (for purposes of determining the number of shares of Common Stock of the Company of which such other Person is the Beneficial Owner under this subparagraph (6), such other Person shall not be deemed to beneficially own shares of any Person described in subparagraphs (1), (2), (3), (4), or (5), above, solely by reason of an Affiliate or Associate relationship of the kind described in (i) or (ii) above in this subparagraph (6)).

For the purposes of this Agreement, the term "***Person***" shall mean any individual, firm, corporation or other entity, and shall include any successor (by merger or otherwise) of such entity. The terms "***Affiliate***" and "***Associate***" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the term "registrant" in the definition of "Associate" meaning, in this case, the Company).

(g) Payments of Compensation Upon Termination. For the avoidance of doubt, in the event the Executive shall be entitled to receive payments and benefits pursuant to any one of Sections 8.4(a), (b), (c), (d), or (e) above, he shall be entitled to no payments or benefits under any other of such Sections, except as expressly provided in this Agreement. Notwithstanding any provision to the contrary contained in this Section 8.4, if any bonus amount is based in whole or in part on the results of the audit by the Company's independent public accountants of the Company's

financial statements for a calendar year, and such amount cannot be paid within the applicable 30 day period provided for herein, then such amount shall be paid no later than March 15 of the calendar year immediately following the calendar year to which it relates.

8.5 Release. The Company's obligation to pay Executive the Severance Payment (Section 8.4(b)(i) or (d)(i)) and the Change in Control Severance Payment (Section 8.4(e)(i)), shall be subject to the Executive executing a release of claims against the Company before the end of the Release Expiration Date (defined below) and provided further that nothing contained in such release shall constitute a release of the Company from any obligations it may have to the Executive (a) under this Agreement or any other written agreement between the Executive and the Company in effect as of the Date of Termination; (b) relating to any employee benefit plan, stock option plan, stock option agreement or ownership of the Company's stock or debt securities; or (c) relating to any rights of indemnification and/or defense under the Company's certificate of incorporation, bylaws, or coverage under officers and directors insurance. The Company will deliver such release to Executive pursuant to and in accordance with the terms of this Section 8.5 within ten (10) business days following the date on which such termination of employment constitutes a separation of service under the terms of this Agreement, and the Company's failure to deliver such release prior to the expiration of such ten (10) business day period shall constitute a waiver of any requirement to execute such release. Assuming timely delivery of the release by the Company, if the release is pursuant to and in accordance with this Section 8.5, and Executive fails to execute such release on or prior to the Release Expiration Date, Executive will not be entitled to any severance payments or benefits otherwise subject to the release condition. In any case where the date of the separation from service and the Release Expiration Date fall in two separate taxable years, any payments required to be made to Executive that are subject to the release condition and are treated as nonqualified deferred compensation for purposes of Section 409A shall be made in the later taxable year. The term "***Release Expiration Date***" shall mean the date that is twenty-one (21) days following the date upon which the Company timely delivers to Executive the release contemplated above, or in the event that Executive's separation from service is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery.

8.6 No Duty to Mitigate. The Executive shall not be required to mitigate the amount of any payment provided for in this Section 8 by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Section 8 be reduced by any compensation earned by the Executive as the result of the Executive's employment by another employer or business or by profits earned by the Executive from any other source at any time before and after the Executive's date of termination.

9. **Indemnification.** The Company shall indemnify and hold harmless the Executive against any and all expenses reasonably incurred by him in connection with or arising out of (a) the defense of any action, suit or proceeding in which he is a party, or (b) any claim asserted or threatened against him, in either case by reason of or relating to his being or having been an employee, officer or director of the Company or a subsidiary of the Company, whether or not he continues to be such an employee, officer or director at the time of incurring such expenses, except insofar as such indemnification is prohibited by law. Such expenses shall include, without limitation, the fees and disbursements of attorneys, amounts of judgments and amounts of any settlements, provided that such expenses are agreed to in advance by the Company. The foregoing indemnification obligation is independent of any similar obligation provided in the Company's certificate of incorporation or bylaws, and shall apply with respect to any matters attributable to periods prior to the date of this Agreement, and to matters attributable to the Executive's employment hereunder, without regard to when asserted. In no event shall the Company be liable for the fees and expenses of more than one counsel (in addition to any local counsel) separate from its own counsel, and the Company will not indemnify the Executive for the fees or expenses of the Executive's counsel in connection with any claim which is being defended by counsel appointed by the Company or the Company's insurance carrier; provided, however, that if the Executive shall have reasonably concluded (based on the advice of counsel) that there is a conflict of interest between the Company and the Executive for counsel appointed by the Company or the Company's insurance carrier that would prohibit the counsel retained by the Company or its insurance carrier from representing the Executive, the Company shall reimburse the Executive for the reasonable fees and expenses of one (1) separate counsel for the Executive in connection with such claims, subject to the limitations set forth above in this Section 9.

10. **Section 409A and Section 280G of the Code.**

10.1 Compliance with Section 409A. It is intended that the provisions of this Agreement comply with or be excepted from Section 409A, as applicable, and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. If any provision of this Agreement (or of any award of compensation, including equity compensation or benefits) would cause the Executive to incur any additional tax or interest under Section 409A, the Company shall, upon the specific request of the Executive, use its reasonable business efforts to in good faith reform such provision to comply with Section 409A; provided, that to the maximum extent practicable, the original intent and economic benefit to the Executive and the Company of the applicable provision shall be maintained, but the Company shall have no obligation to make any changes that could create any additional economic cost or loss of benefit to the Company. The Company shall timely use its reasonable business efforts to amend any plan or program in which the Executive participates to bring it in compliance with Section 409A to the extent such compliance is required. Notwithstanding the foregoing, the Company shall have no liability with regard to any failure to comply with Section 409A so long as it has acted in good faith with regard to compliance therewith.

10.2 Separation From Service. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "***Separation from Service***" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "resignation," "termination," "termination of employment" or like terms shall mean Separation from Service. If the Executive is deemed on the date of termination of his employment to be a "***specified employee***", within the meaning of that term under Section 409A(a)(2)(B) of the Code and using the identification methodology selected by the Company from time to time, or if none, the default methodology, then with regard to any payment, the providing of any benefit or any distribution of equity made subject to this Section to the extent required to be delayed in compliance with Section 409A(a)(2)(B) of the Code, and any other payment, the provision of any other benefit or any other distribution of equity that is required to be delayed in compliance with Section 409A(a)(2)(B) of the Code, such payment, benefit or distribution shall not be made or provided prior to the earlier of (i) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (ii) the date of the Executive's death. On the first day of the seventh month following the date of the Executive's Separation from Service or, if earlier, on the date of his death, (x) all payments delayed pursuant to this Section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein and (y) all distributions of equity delayed pursuant to this Section 10 shall be made to the Executive. In addition to the foregoing, to the extent required by Section 409A(a)(2)(B) of the Code, prior to the occurrence of a Disability termination as provided in this Agreement, the payment of any compensation to the Executive under this Agreement shall be suspended for a period of six months commencing at such time that the Executive shall be deemed to have had a Separation from Service because either (A) a sick leave ceases to be a bona fide sick leave of absence, or (B) the permitted time period for a sick leave of absence expires (an "***SFS Disability***"), without regard to whether such SFS Disability actually results in a Disability termination. Promptly following the expiration of such six-month period, all compensation suspended pursuant to the foregoing sentence (whether it would have otherwise been payable in a single sum or in installments in the absence of such suspension) shall be paid or reimbursed to the Executive in a lump sum. On any delayed payment date under this Section there shall be paid to the Executive or, if the Executive has died, to his estate, in a single cash lump sum together with the payment of such delayed payment, interest on the aggregate amount of such delayed payment at the Delayed Payment Interest Rate (defined below in this Section 10.2) computed from the date on which such delayed payment otherwise would have been made to the Executive until the date paid. For purposes of the foregoing, the "***Delayed Payment Interest Rate***" shall mean the short term applicable federal rate provided

for in Section 1274(d) of the Code as of the business day immediately preceding the payment date for the applicable delayed payment. To the extent that this Agreement provides for any payments of nonqualified deferred compensation (within the meaning of Section 409A) to be made in installments (including, without limitation, any severance payments), each such installment shall be deemed to be a separate and distinct payment for purposes of Section 409A.

10.3 Reimbursement Provisions. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (ii) shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period the arrangement is in effect and (iii) such payments shall be made on or before the last day of the Executive's taxable year following the taxable year in which the expense was incurred.

10.4 280G Parachute Payments. In the event that any payments or benefits (whether made or provided pursuant to this Agreement or otherwise) provided to Executive constitute "parachute payments"' within the meaning of Section 280G of the Code ("***Parachute Payments***"), and will be subject to an excise tax imposed pursuant to Section 4999 of the Code, the Executive's Parachute Payments will be reduced to an amount determined by the Company in good faith to be the maximum amount that may be provided to the Executive without resulting in any portion of such Parachute Payments being subject to such excise tax (the amount of such reduction, "***Cutback Benefits***"). The Parachute Payment reduction contemplated by the preceding sentence, if applicable, shall be implemented by determining the "Parachute Payment Ratio" (as defined below) for each Parachute Payment and then reducing the Parachute Payment in order beginning with the Parachute Payment with the highest Parachute Payment Ratio. For Parachute Payments with the same Parachute Payment Ratio, such Parachute Payments shall be reduced based on the time of payment of such Parachute Payments, with amounts having later payment dates being reduced first. For Parachute Payments with the same Parachute Payment Ratio and the same time of payment, such Parachute Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Parachute Payments with a lower Parachute Payment Ratio. For purposes hereof, the term "***Parachute Payment Ratio***" shall mean a fraction the numerator of which is the value of the applicable Parachute Payment for purposes of Section 280G of the Code and the denominator of which is the intrinsic value of such Parachute Payment.

10.5 Dodd-Frank Requirement. Notwithstanding any provision of this Agreement to the contrary, Executive acknowledges that any incentive-based compensation paid to Executive pursuant hereto may be subject to recovery by the Company under

any generally applicable clawback policy which is adopted, as required under Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations of the United States Securities and Exchange Commission thereunder or the requirements of any national securities exchange on which the Company's common stock may be traded.

11. **Miscellaneous.**

11.1 Governing Law. This Agreement shall be deemed to be a contract made under the laws of the State of Delaware and for all purposes shall be governed by and construed in accordance with those laws, without reference to principles of conflict of laws. The Company and the Executive unconditionally consent to submit to the exclusive jurisdiction of any state or federal court located in Oklahoma County, State of Oklahoma for any actions, suits or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts), and further agree that service of any process, summons, notice or document by registered mail to the address set forth below shall be effective service of process for any action, suit or proceeding brought against the Company or the Executive, as the case may be, in any such court.

11.2 No Assignment. The Executive may not delegate his duties or assign his rights hereunder. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company other than pursuant to a merger or consolidation in which the Company is not the continuing entity, or a sale, liquidation or other disposition of all or substantially all of the assets of the Company. For the purposes of this Agreement, the term "***Company***" shall include the Company and, subject to the foregoing, any of its successors and assigns. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

11.3 Severable. The invalidity or unenforceability of any provision hereof shall not in any way affect the validity or enforceability of any other provision.

11.4 Entire Understanding. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of the Executive by the Company and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever, it being acknowledged and agreed by the parties, however, that the Severance Agreement shall terminate and become null and void effective as of the Effective Date. Any modification or termination of this Agreement will be effective only if it is in writing signed by the party to be charged. This Agreement shall not be deemed to be modified, superceded, or amended, by the terms of the Company's Code of Ethics for CEO and Senior Financial Officers or any Confidentiality Agreement as in effect from time to time, and if there is any provision in the Code of Ethics or Confidentiality Agreement that conflicts with this Agreement, this Agreement shall be controlling.

11.5 Counterparts. This Agreement may be executed by the parties in one or more counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto.

11.6 Mutual Non-Disparagement. Subject to applicable law, the Executive covenants and agrees that the Executive shall not in any way publicly disparage, call into disrepute, or otherwise defame or slander the Company or any of its subsidiaries, in any manner that would materially damage the business or reputation of the Company or its subsidiaries. The Company covenants and agrees, on behalf of itself and its subsidiaries, that neither the Company, any of its subsidiaries nor any of the officers or directors of the Company or any of its subsidiaries shall in any way publicly disparage, call into disrepute, or otherwise defame or slander the Executive. Nothing in this paragraph 11.6 shall preclude or restrict the Executive or the Company or any of the subsidiaries of the Company from making truthful statements, including, without limitation, those that are required by applicable law, regulation or in connection with a legal process or proceeding, and the making of such statements shall not be a violation of this subsection.

11.7 Confidential Information and Restrictive Covenants

11.7.1 No Disclosure. Subject to the terms of this Section 11.7, during the Restricted Period (as defined below), the Executive agrees to hold in confidence and not disclose any and all proprietary, secret or confidential information ("Confidential Information") relating to the Company or the Company's subsidiaries, which shall have been obtained by the Executive during the Executive's employment by the Company. Confidential Information is defined as the proprietary, client or business information of the Company, written or in a physical embodiment, including, but not limited to, customer lists, employee lists, financial information, pricing data, sales data, marketing data, or business plans or proposals.

11.7.2 Exception. Notwithstanding the provisions of Section 11.7.1 above, the Executive shall not be held liable for disclosure of information which was in the public domain, or is readily available to the public at the time of its disclosure by the Executive through means unrelated to the Executive's disclosure, or is required to be disclosed in, or in connection with, a legal proceeding or process or is required to be disclosed by law, rule or regulation.

11.7.3 Other Restrictive Covenant. Subject to the terms hereof, the Executive agrees that during the Restricted Period he will not, by or for himself, or as an agent, representative or employee of another, do or attempt to solicit,

entice, persuade or induce any individual who is employed by the Company or its subsidiaries (or was so employed within 90 days prior to the Executive's action) to terminate or refrain from renewing or extending such employment or to become employed by or enter into contractual relations with any other individual or entity other than the Company or its subsidiaries.

11.7.4 Restricted Period. "Restricted Period" is the 12-month period after the date of termination of the Executive's employment with the Company.

11.7.5 Confidentiality and Assignment Agreement. If any of the restrictions provided in Section 11.7 are contrary to the requirements or limitations contained in the Confidentiality and Assignment Agreement, the terms of this Section 11.7 of this Agreement shall be controlling.

12. **Notices.**

All notices relating to this Agreement shall be in writing and shall be either personally delivered, sent by telecopy (receipt confirmed) or mailed by certified mail, return receipt requested, to be delivered at such address as is indicated below, or at such other address or to the attention of such other person as the recipient has specified by prior written notice to the sending party. Notice shall be effective when so personally delivered, one business day after being sent by telecopy or five days after being mailed.

To the Company:

LSB Industries, Inc.
16 South Pennsylvania Avenue
Post Office Box 754
Oklahoma City, OK 73107
Attention: General Counsel

With copies in the same manner to:

Conner & Winters, LLP
1700 One Leadership Square
211 North Robinson
Oklahoma City, OK 73102-71012
Attention: Irwin Steinhorn, Esq.

To the Executive:

Barry H. Golsen
16 South Pennsylvania
Post Office Box 754
Oklahoma City, OK 73107

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the 27th day of April 2015.

LSB Industries, Inc.:

By: /s/ Tony M. Shelby
Tony M. Shelby

Executive:

/s/ Barry H. Golsen
Barry H. Golsen

EMPLOYMENT AGREEMENT
(Mark T. Behrman)

THIS EMPLOYMENT AGREEMENT ("***Agreement***") is effective the 27th day of April 2015 (the "***Effective Date***"), by and between LSB INDUSTRIES, INC., a Delaware corporation (the "***Company***"), and MARK T. BEHRMAN (the "***Executive***"). In consideration of the mutual promises made in this Agreement, the Company and the Executive agree as follows.

WITNESSETH

WHEREAS, the Executive is currently, and has been since the commencement of his employment by the Company on March 3, 2014 (the "***Hire Date***"), employed by the Company as its Senior Vice-President Corporate Development;

WHEREAS, the Company desires to promote the Executive to serve as the Executive Vice President and Chief Financial Officer of the Company effective as of the 2015 annual meeting of shareholders of the Company (the "***Promotion Effective Date***"), and the Executive desires to be employed by the Company in such positions, pursuant to the terms as provided herein;

WHEREAS, on the Hire Date, the Company and the Executive entered into a certain Severance Agreement (the "***Severance Agreement***"), the substantive provisions of which are generally included in this Agreement, and the Company and the Executive will terminate the Severance Agreement as of the Effective Date;

WHEREAS, on the Hire Date, the Company and the Executive entered into a certain Letter Agreement (the "***Letter Agreement***"), and the Company and the Executive will terminate the Letter Agreement as of the Promotion Effective Date; and

WHEREAS, upon the Promotion Effective Date, the Company and the Executive intend that the terms of the Executive's employment be amended as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and the Executive hereby agree as follows:

1. **Employment; Term.**

1.1 Employment. The Executive is currently employed by the Company as its Senior Vice President, Corporate Development pursuant to the terms and conditions of the Letter Agreement, which terms remain in effect following the Effective Date, except as otherwise expressly modified or superseded by the terms of this Agreement, and upon the Promotion Effective Date, such Letter Agreement shall terminate and will be null and void in all respects. The Company shall continue to employ Executive, and Executive accepts continued employment with the Company, upon the terms and conditions set forth in this Agreement.

1.2 Term. Unless earlier terminated as provided in this Agreement, the initial term of this Agreement shall begin on the Effective Date and end on the third anniversary of the Effective Date (the "***Initial Term***"). At the end of the Initial Term this Agreement will automatically be extended for one additional year, unless at least six (6) months prior to the expiration of the Initial Term the Company or the Executive shall have given written notice to the other not to extend the term of the Agreement. The Initial Term, as may be extended, is hereinafter referred to as the "***Employment Period***."

2. **Capacities, Duties and Authority.**

2.1 Capacities. Commencing on the Promotion Effective Date, the Executive shall serve as Executive Vice President and Chief Financial Officer of the Company in such capacities, with such duties and authority, for such period, at such level of compensation and with such benefits and upon such other terms and subject to such other conditions, as are set forth in this Agreement.

2.2 Duties and Authority. In his capacity as Executive Vice President and Chief Financial Officer of the Company, the Executive shall participate as a member of the Company's senior leadership team and shall have the authorities, duties and responsibilities currently exercised by the Company's current Chief Financial Officer and as are customarily performed by persons acting in such capacity for similarly situated public companies, along with such other authorities, duties and responsibilities as may from time to time be delegated to him by the Board of Directors of the Company (the "***Board***") or the Chief Executive Officer of the Company (the "***CEO***"), provided they are consistent with and in the reasonable scope of those customarily exercised by individuals serving in the chief financial officer position. The Executive shall render his services diligently and faithfully and devote the Executive's best efforts and full professional time and attention to the business and affairs of the Company and the Company's subsidiaries. During the Employment Period, the Executive shall not serve as a director or principal of any other company or charitable or civic organization without the prior written consent of the Board. The Executive shall be expected to follow and be bound by the terms of the Company's Code of Ethics for CEO and Senior Financial Officers, as may be amended by the Board from time to time, and any other policies applicable to senior management personnel as the Company from time to time may adopt; provided in any such case the Executive has acknowledged receipt of a copy of any such amended Code or other policy.

2.3 Location. The principal place(s) of employment of the Executive shall be the Company's executive offices in Oklahoma City, Oklahoma, subject to reasonable travel requirements, consistent with the nature of the Executive's duties from time to time, for the business of the Company or the Company's subsidiaries.

3. **Compensation.**

3.1 Base Salary. Commencing on the Promotion Effective Date, the Executive shall be paid a base salary during the Employment Period at the annual rate of $400,000, payable in accordance with the regular payroll practices of the Company in effect from time to time. The Board or its Compensation and Stock Option Committee (the "***Compensation Committee***") shall annually review the Executive's performance and determine, in its sole discretion, whether or not to increase the Executive's base salary and, if so, the amount of such increase. The Executive's base salary may not be decreased without the consent of the Executive. The Executive's base salary, as increased from time to time, is hereinafter referred to as the "***Base Salary***."

3.2 2014 Signing Bonus. If, as of the Promotion Effective Date, the Executive has not already received his previously guaranteed signing bonus of not less than $150,000 for the calendar year ended December 31, 2014, as provided in the Letter Agreement, such bonus shall be paid to the Executive on the earlier date to occur of (a) the date that bonuses are first paid to the Company's other senior management personnel for the 2014 calendar year and (b) July 1, 2015.

3.3 Annual Bonus. From and after the Promotion Effective Date, the Executive will be eligible for, and considered by the Compensation Committee for, an annual bonus each calendar year, based upon his performance and the financial performance of the Company for such year and such other Company performance guidelines as may be established by the Compensation Committee or the Board in connection with the payment of bonuses by the Company to its senior executive officers (each, an "***Annual Bonus***"); provided that the amount of the Annual Bonus to be awarded to the Executive for each calendar year during the Employment Period as determined by the Compensation Committee or the Board shall not exceed 150% of the Executive's Base Salary for the calendar year for which the Annual Bonus is related. Each such Annual Bonus awarded to the Executive by the Compensation Committee shall be paid no later than the earlier date to occur of (a) the date that bonuses for such year are first paid to the Company's other senior management personnel and (b) July 1 of the year immediately following the year to which such Annual Bonus relates; provided that such date is not prohibited under Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***") and the regulations and guidance promulgated thereunder ("***Section 409A***"). Notwithstanding the foregoing provisions of this Section 3.3, in order to be eligible to receive an Annual Bonus for any particular year, the Executive must be employed on December 31st of that year, except as otherwise expressly provided in this Agreement.

4. **Equity Awards.**

4.1 Option Grant. On the Promotion Effective Date, the Executive shall receive a non-qualified stock option awarded under the Company's 2008 Stock Incentive Plan (as may be amended from time to time, the "***Plan***") to purchase up to 50,000

shares of the Company's common stock, par value $.10 per share ("***Common Stock***"), at a price per share equal to the per share closing price of the Common Stock on the last trading day prior to the Promotion Effective Date, which shall be governed by an option agreement, substantially in the form of **Exhibit "A"** attached hereto.

4.2 Other Equity Plans and Other Programs. The Executive shall be entitled to participate in the Plan and any equity plan or program adopted by the Company and will receive allotments (grants) under such plans and programs commensurate with his level of responsibility in relation to other grants thereunder as determined in the sole discretion of the Board, the Compensation Committee or other committee of the Board designated by the Board for such purpose.

4.3 Acceleration. Notwithstanding anything to the contrary contained in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, including without limitation, the Non-Qualified Stock Option Agreement dated March 3, 2014, in the event of (a) a Change in Control (defined below in Section 8.4(h)) and the Executive's employment with the Company is terminated for any reason (other than by the Company for Cause, as defined in Section 8.1(e) below) within 24 months after the date of such Change in Control or (b) the termination of Executive's employment hereunder pursuant to any of Sections 8.1(a), (b), (c) and (f) below, all of the Executive's then outstanding stock options and other equity awards, if any, granted by the Company to the Executive shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the earlier to occur of (i) the date of such termination of employment after the Company incurs such Change in Control with respect to clause (a) above and (ii) with respect to clause (b) above, the applicable Date of Termination (as defined in Section 8.3 below) and in the manner (and to the extent) expressly set forth in Section 8.4 below with respect to such termination.

5. **Fringe Benefits.** During the Employment Period, the Executive shall be entitled to participate in and have the benefit of all group life, disability, dental, hospital, surgical and major medical insurance plans and programs and other employee benefit plans and programs as generally are made available to executive personnel of the Company, including any 401(k) or other profit sharing plan, subject to the terms of such plans, as such plans may be adopted, amended, and terminated from time to time. The Executive shall also be added or continued, as the case may be, as an insured under the Company's officers and directors insurance policy and all other policies which pertain to executive officers of the Company. The Executive shall, at the Executive's option, receive the use of a Company car or a car allowance of $650 per month, as such amount may be increased from time to time, during the Employment Period, in the sole discretion of the Compensation Committee or the Board.

6. **Reimbursement of Expenses.** The Company shall pay to the Executive the reasonable expenses incurred by him in the performance of his duties in connection with business related travel or entertainment in accordance with the Company's policies, as may be amended from time to time, or, if such expenses are paid directly by the Executive, the Company shall promptly

reimburse the Executive, subject to presentation of adequate substantiation, including receipts, for the reasonable travel, entertainment, lodging and other business expenses incurred by the Executive in accordance with the Company's expense reimbursement policy in effect at the time such expenses are incurred.

7. **Vacation.** The Executive shall be entitled to four (4) weeks of paid vacation per year. The Executive shall use his vacation in the calendar year in which it is accrued.

8. **Termination of Employment.**

8.1 Termination. The Executive's employment hereunder shall terminate under the following circumstances:

(a) Death. The Executive's employment under this Agreement shall terminate upon his death;

(b) Disability. If the Executive suffers a Disability (defined below in this Section 8.1(b)), the Company may terminate the Executive's employment under this Agreement upon written Notice of Termination (defined in Section 8.2 hereof) with respect to such Disability to the Executive at least thirty (30) days prior to the effective Date of Termination (defined in Section 8.3 hereof) for such termination. For purposes of this Agreement, "***Disability***" shall mean the Executive's inability to perform his duties and responsibilities hereunder because of physical or mental illness or incapacity, which condition has (i) continued for a period of one hundred twenty (120) consecutive days, or (ii) existed for an aggregate of one hundred twenty (120) days, even though not consecutive, within any one hundred eighty (180) day period, all as determined by the Board in good faith and supported by medical evidence. Notwithstanding the foregoing, if the Executive has recovered from a Disability and returned to full-time service prior to the Date of Termination set forth in the Notice of Termination relating thereto, the Company may not thereafter terminate the Executive's employment under this Agreement in respect of such Disability.

(c) Good Reason. The Executive may terminate his employment under this Agreement for Good Reason (defined below in this Section 8.1(c)) at any time on or prior to the 60th day after the occurrence of any of the Good Reason events set forth in the following sentence; provided, however, that, within thirty (30) days after the occurrence of any such event, the Executive shall have provided the Company with a Notice of Termination with respect to such event and afforded the Company a period of thirty (30) days after its receipt of such Notice of Termination to cure the default that constitutes the Good Reason event relied upon by the Executive for such termination. For purposes of this Agreement, "***Good Reason***" shall mean the occurrence, during the Employment Period, of any of the following events without the Executive's prior written consent:

(i) the failure by the Company to timely comply with its material obligations and agreements contained in the Letter Agreement prior to the Promotion Effective Date or this Agreement, as the case may be, including without limitation in respect of the appointment of the Executive to serve as Executive Vice President and Chief Financial Officer of the Company on the Promotion Effective Date; or

(ii) the removal of the Executive from the position of, or the loss by the Executive of the title of, (A) Senior Vice-President Corporate Development of the Company prior to the Promotion Effective Date or (B) Executive Vice President or Chief Financial Officer of the Company on or after the Promotion Effective Date; or

(iii) a material diminution of the authorities, duties or responsibilities of the Executive set forth in (A) the Letter Agreement prior to the Promotion Effective Date or (B) Section 2 of this Agreement on or after the Promotion Effective Date; or

(iv) the relocation of the Executive to an office outside of the Oklahoma City, Oklahoma metropolitan area.

The parties agree that a termination for Good Reason shall be treated as an involuntary separation under Section 409A.

(d) Without Good Reason. The Executive may voluntarily terminate his employment under this Agreement without Good Reason upon written Notice of Termination to the Company at least thirty (30) days prior to the effective Date of Termination (which termination the Company may, in its sole discretion, make effective earlier than the date set forth in the Executive's Notice of Termination).

(e) Cause. The Company may terminate the Executive's employment under this Agreement for Cause (defined below in this Section 8.1(e)) at any time after the occurrence of any of the events set forth in the following sentence; provided, however, that the Company shall have provided the Executive with a Notice of Termination with respect to such event and, if such event is set forth in clause (iv) of the following sentence, afforded the Executive the fifteen (15) day period provided in such clause to cure the failure that constitutes such event. For purposes of this Agreement, "***Cause***" shall mean the occurrence, during the Employment Period, of any of the following events:

(i) a material and willful violation by the Executive of the then most recent Code of Business Conduct of the Company acknowledged and signed by the Executive or the Confidentiality and Assignment Agreement then in effect between the Company and the Executive;

(ii) the conviction of the Executive of a felony by a federal or state court of competent jurisdiction;

(iii) an act or acts of embezzlement of the Company's assets by the Executive; or

(iv) the Executive's willful and continued failure (other than any such failure resulting from the Executive's incapacity due to a Disability) to (A) substantially perform his obligations under the Letter Agreement or this Agreement, as the case may be, or (B) follow a direct lawful written order from the Board that is within the reasonable scope of and consistent with the Executive's duties outlined in the Letter Agreement (for the period prior to the Promotion Effective Date) or Section 2 of this Agreement (on or after the Promotion Effective Date), which failure is not cured by the Executive within fifteen (15) days after receipt by the Executive of written notice from the Company that such failure is occurring.

(f) Without Cause. The Company may terminate the Executive's employment under this Agreement without Cause immediately upon written Notice of Termination with respect thereto by the Company to the Executive.

For purposes of this Section 8.1, no act, or failure to act, on the part of the Executive shall be considered "*willful*," unless done, or omitted to be done, by him in bad faith and without reasonable belief that his action or omission was in, or not opposed to, the best interests of the Company.

8.2 Notice of Termination. Any termination of the Executive's employment by the Company or by the Executive (other than termination by reason of the Executive's death) shall be communicated by written Notice of Termination to the other party to this Agreement. For purposes of this Agreement, a "***Notice of Termination***" shall mean a written notice which shall set forth the applicable Date of Termination (defined in Section 8.3, below), indicate the specific termination provision in this Agreement relied upon and set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated.

8.3 Date of Termination. The "***Date of Termination***" shall mean (a) if the Executive's employment is terminated by his death, the date of his death, (b) if the Executive's employment is terminated pursuant to Section 8.1(b) above, thirty (30) days after Notice of Termination is given, (c) if the Executive's employment is terminated pursuant to Sections 8.1(c) or 8.1(e) above, the date specified in the Notice of Termination after the expiration of any applicable cure periods, (d) if the Executive's employment is terminated pursuant to Section 8.1(d) above, the date specified in the Notice of Termination which shall be at least thirty (30) days after Notice of Termination is given, or such earlier date as the Company shall

determine, in its sole discretion, and (e) if the Executive's employment is terminated pursuant to Section 8.1(f) above, the date on which the Notice of Termination is given.

8.4 Obligations of the Company Upon Termination.

(a) Termination upon Death. In the event of the Executive's death during the Employment Period, the Company shall pay or provide to the Executive's estate within 30 days following the Date of Termination (except as otherwise provided in this Section 8.4(a)):

(i) any earned but unpaid Base Salary through the Date of Termination;

(ii) reimbursement for any unreimbursed expenses properly incurred and paid in accordance with Section 6, above, through the Date of Termination;

(iii) payment for any accrued but unused vacation time in accordance with Company policy;

(iv) such vested accrued benefits and other payments, if any, as to which the Executive (and his eligible dependents) may be entitled under, and in accordance with the terms and conditions of, the employee benefit arrangements, plans and programs of the Company as of the Date of Termination, other than any severance pay plan ((i) through (iv) of this Section 8.4(a), the "***Amounts and Benefits***");

(v) any bonuses earned by the Executive but remaining unpaid for any year prior to the year in which the Date of Termination occurs (the "***Prior Year Bonuses***");

(vi) a "***Pro-Rata Bonus***", which for purposes of this Agreement means (A) in the event the Company has established one or more executive bonus programs with performance goals covering the year in which the Date of Termination occurs, a pro-rata portion of the aggregate bonuses payable under such bonus programs for the year in which the Date of Termination occurs (determined by multiplying the amount of the Executive's bonus which would be due for the full year by a fraction, the numerator of which is the number of days that the Executive was employed by the Company in the year in which the Date of Termination occurs and the denominator of which is 365), provided that the performance goals established with respect to the entire such year are met, and provided, further, that in the event the Date of Termination occurs prior to the determination of performance goals applicable to the performance period for the year of the Executive's termination of

employment, the performance criteria applicable to the Executive in respect of the Pro-Rata Bonus shall be at least as favorable to the Executive as the most favorable performance criteria applicable for that year to any award to a named executive officer of the Company, within the meaning of Section 402(a)(3) of Regulation S-K promulgated by the Securities and Exchange Commission; or (B) in the event the Company has not established an executive bonus plan with performance goals covering the year in which the Date of Termination occurs, a pro-rata portion of the bonus earned by the Executive (pursuant to Section 3.2 of this Agreement with respect to the 2014 calendar year and pursuant to Section 3.3 of this Agreement with respect to any other calendar year) for the year prior to the year in which the Date of Termination occurs (determined by multiplying the amount of the bonus earned by the Executive for the year prior to the year in which the Date of Termination occurs by a fraction, the numerator of which is the number of days that the Executive was employed by the Company in the year in which the Date of Termination occurs and the denominator of which is 365). If payable under (A), the Pro-Rata Bonus shall be payable in due course pursuant to the terms of the applicable bonus programs and if payable under (B), the Pro-Bonus shall be payable within thirty (30) days following the Date of Termination;

(vii) subject to (A) the Executive's (or in the event of the Executive's death, his dependent's) timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***"), and (B) the Executive's (or in the event of the Executive's death, his dependent's) continued copayment of premiums at the same level and cost to the Executive as if the Executive were an employee of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Executive (and the Executive's eligible dependents, as the case may be) for a period of eighteen (18) months at the Company's expense, provided that the Executive (or eligible dependent) is eligible and remains eligible for COBRA coverage; and provided, further, that in the event that the Executive obtains other employment that offers group health benefits, such continuation of coverage by the Company shall immediately cease (the benefits and conditions specified in this Section 8.4(a)(vii), "***Medical Continuation Benefits***"); and

(viii) in the event a Change in Control shall not have theretofore occurred, notwithstanding anything to the contrary contained

herein or in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, all of the Executive's then outstanding stock options and other equity awards, if any, granted by the Company to the Executive pursuant to any such agreement shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the Date of Termination, with such options and awards remaining exercisable for the lesser of the original option term or twelve (12) months from the date of the Executive's death.

(b) Termination Due to Disability. If the Executive's employment is terminated by the Company due to his Disability during the Employment Period, the Company shall pay or provide to the Executive within 30 days following the Date of Termination (except as otherwise provided in this Section 8.4(b)):

(i) the Amounts and Benefits;

(ii) the Prior Year Bonuses;

(iii) the Pro-Rata Bonus;

(iv) the Medical Continuation Benefits; and

(v) in the event a Change in Control shall not have theretofore occurred, notwithstanding anything to the contrary contained herein or in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, all of the Executive's then outstanding stock options and other equity awards, if any, granted by the Company to the Executive pursuant to any such agreement shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the Date of Termination.

(c) Termination for Cause or without Good Reason. If the Executive's employment is terminated by the Company for Cause or by the Executive without Good Reason during the Employment Period, the Executive shall receive from the Company the Amounts and Benefits within thirty (30) days of the Date of Termination, the Executive's non-vested stock options and other non-vested equity awards shall be immediately and automatically forfeited (except as provided otherwise in Section 4.3(a) hereof), the Executive shall be entitled to exercise any of his vested options and other vested equity awards within the sixty (60) consecutive day period immediately following the termination of the Executive's employment (but not after the original option term), and retain his other vested equity awards, and the Company shall have no further obligation with respect to this Agreement other than as provided in Section 10 below.

(d) Termination without Cause or for Good Reason (Salary Continuation). If the Executive terminates his employment under this Agreement for Good Reason or the Company terminates the Executive's employment hereunder without Cause (other than a termination by reason of death or Disability) during the Employment Period, and the Executive has not received and is not entitled to any payment under Section 8.4(f) hereof, then the Company will continue to pay the Executive's Base Salary for the remainder of the two year period beginning on the Hire Date (the "***Salary Continuation Payment***"), payable based on the Company's regular payroll, subject to receipt by the Company of a release executed by the Executive pursuant to and in accordance with Section 8.5 hereof.

(e) Termination without Cause or for Good Reason (Additional Severance). If the Executive terminates his employment under this Agreement for Good Reason or the Company terminates the Executive's employment hereunder without Cause (other than a termination by reason of death or Disability) during the Employment Period, and the Executive has not received and is not entitled to any payment under Sections 8.4(f) or (g) hereof, then in addition to the Company paying to the Executive the Salary Continuation Payments pursuant to Section 8.4(d) above, the Company shall pay or provide the Executive within 30 days following the Date of Termination (except as otherwise provided in this Section 8.4(e)):

(i) the Amounts and Benefits;

(ii) an amount equal to the sum of all applicable Base Salary for the balance of the Employment Period determined as if such termination had not occurred, less the aggregate amount payable to the Executive, if any, pursuant to Section 8.4(d);

(iii) the Prior Year Bonuses;

(iv) the Pro-Rata Bonus;

(v) the Medical Continuation Benefits; and

(vi) in the event a Change in Control shall not have theretofore occurred, and the Company has terminated the Executive's employment under this Agreement without Cause or the Executive has terminated his employment under this Agreement for Good Reason, notwithstanding anything to the contrary contained herein or in the vesting and exercisability schedule in any stock option or other grant agreement between the Company and the Executive, all of the Executive's then outstanding stock options and other equity awards, if any, granted by the Company to the Executive pursuant

to any such agreement shall, to the extent not already vested, vest in their entirety and, as applicable, become immediately and automatically exercisable commencing on the Date of Termination, and the Executive shall be entitled to exercise any of his vested options within the sixty (60) consecutive day period immediately following the Date of Termination (but not after the original option term).

(f) Termination Following a Change in Control (First 24 Months). If the Executive terminates his employment under this Agreement for Good Reason or the Company terminates the Executive's employment hereunder without Cause (other than a termination by reason of death or Disability) within 24 months after a Change in Control (defined below in this Section 8.4(f)), then the Company shall pay to the Executive, in cash, in two equal payments, on the Payment Dates (defined below in this Section 8.4(f)), the total amount of 2.9 times the Executive's Base Amount (defined below in this Section 8.4(f)) (the "***Change in Control Payment***"), subject to receipt by the Company of a release executed by the Executive pursuant to and in accordance with Section 8.5 hereof. For the purpose of this Agreement, the "***Executive's Base Amount***" shall mean the average annual gross compensation (salary and bonus) paid by the Company to the Executive and includible in the Executive's gross income during the period consisting of the most recent five taxable years ending before the Change in Control; provided, however, that if the Executive has been employed by the Company for less than such five year period immediately preceding the Change in Control, then the "***Executive's Base Amount***" shall be the average annual gross compensation (salary and bonus) paid by the Company to the Executive and includible in the Executive's gross income during the most recent number of taxable years ending before the Change in Control that the Executive was employed by the Company. For purposes of this Agreement, "***Payment Dates***" shall be the Date of Termination and the day that is one calendar year following the Date of Termination. In addition to the foregoing and subject to the limitations set forth in Section 11.4 of this Agreement, upon a termination of the Executive's employment as set forth above, the Executive shall be entitled to receive the payments in the amounts contemplated by, and on the dates specified with respect to, Sections 8.4(e)(i), (iii), (iv) and (v). Further, in the event of a Change in Control and the Executive's employment with the Company is terminated for any reason (other than by the Company for Cause) within 24 months after the date of such Change in Control, all of the Executive's stock options and other equity awards, if any, granted by the Company to the Executive shall, to the extent not already vested, vest in their entirety and become immediately exercisable pursuant to Section 4.3 hereof.

(g) Termination Following a Change in Control (25-36 Months). If the Executive terminates his employment under this Agreement for Good

Reason or the Company terminates the Executive's employment hereunder without Cause (other than a termination by reason of death or Disability) during the period beginning with the 25th month after a Change in Control and ending upon the expiration of the 36th month after a Change in Control, then the Company shall pay to the Executive, in a lump sum cash payment, within 30 days after the Date of Termination, the total amount of the Change in Control Payment, subject to receipt by the Company of a release executed by the Executive pursuant to and in accordance with Section 8.5 hereof. In addition to the foregoing and subject to the limitations set forth in Section 11.4 of this Agreement, upon a termination of the Executive's employment as set forth above, the Executive shall be entitled to receive the payments in the amounts contemplated by, and on the dates specified with respect to, Sections 8.4(e)(i), (iii), (iv) and (v).

(h) Change in Control. For purposes of this Agreement, a "***Change in Control***" means any of the following events occurring during the Change in Control Period:

(i) individuals who, as of April 1, 2015, constitute the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the Board; provided, however, that any person becoming a director subsequent to April 1, 2015, whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, or other actual or threatened solicitation of proxies by or on behalf of an individual, entity or group other than the Board relating to the election of the directors of the Company) shall be deemed to be, for purposes of this Agreement, a member of the Incumbent Board; or

(ii) the date that any one person, or more than one person acting as a group (as defined in Treas. Regs. Section 1.409A-3), acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than fifty percent (50%) of the total fair market value or total voting power of the stock of the Company; or

(iii) the date any one person, or more than one person acting as a group (as defined in Treas. Regs. Section 1.409A-3), acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Company possessing thirty percent (30%) or more of the total voting power of the stock of the Company, other than the acquisition by

(A) any Person or group, which as of the date hereof has such ownership; or

(B) any of the Golsen Group (as defined below).

For the purposes of this Agreement, the term "***Golsen Group***" shall mean:

(1) Jack E. Golsen;

(2) the spouse of Jack E. Golsen;

(3) Barry H. Golsen, Steven J. Golsen and Linda Golsen Rappaport, who are the children of Jack E. Golsen, or any spouse of such children;

(4) any estate of, or the executor or administrator of any estate of, or any guardian or custodian for, any Person described in subparagraphs (1), (2), or (3), above, so long as such executor, administrator, guardian or custodian is acting only in his, her or its capacity as such;

(5) any corporation, trust (including any voting trust), general partnership, limited partnership, limited liability company, organization or other entity (whether now existing or hereafter formed) of which at least 80% of the outstanding beneficial voting or equity interest are beneficially owned, directly or indirectly, either (i) by one or more of the Persons described in subparagraphs (1), (2), (3), or (4), above, or (ii) by any combination of one or more of the Persons described in subparagraphs (1), (2), (3), or (4), above; and,

(6) any other Person (i) who or which is or becomes an Affiliate or Associate of any Person described in subparagraph (1), (2), (3), (4), or (5), above, or (ii) of which any Person described in subparagraph (1), (2), (3), (4), or (5), above, is or becomes an Affiliate or Associate; provided, however, in either case (i) or case (ii) of this subparagraph (6), such other Person is not the Beneficial Owner of 5% or more of the shares of Common Stock of the Company then outstanding (for purposes of determining the number of shares of Common Stock of the Company of which such other Person is the Beneficial Owner under this subparagraph (6), such other Person shall not be deemed to beneficially own shares of any Person described in subparagraphs (1), (2), (3), (4), or (5), above, solely by reason of an Affiliate or Associate relationship of the kind described in (i) or (ii) above in this subparagraph (6)).

For the purposes of this Agreement, the term "***Person***" shall mean any individual, firm, corporation or other entity, and shall include any successor (by merger or otherwise) of such entity. The terms "***Affiliate***" and "***Associate***" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the term "registrant" in the definition of "Associate" meaning, in this case, the Company).

(i) Payments of Compensation Upon Termination. For the avoidance of doubt, in the event the Executive shall be entitled to receive payments and benefits pursuant to any one of Sections 8.4(a), (b), (c), (d), (e), (f), or (g) above, he shall be entitled to no payments or benefits under any other of such Sections, except as expressly provided otherwise in this Agreement. Notwithstanding any provision to the contrary contained in this Section 8.4, if any bonus amount is based in whole or in part on the results of the audit by the Company's independent public accountants of the Company's financial statements for a calendar year, and such amount cannot be paid within the applicable thirty (30) day period provided for herein, then such amount shall be paid no later of March 15 of the calendar year immediately following the calendar year to which it relates.

8.5 Release. The Company's obligation to pay Executive the Salary Continuation Payment (Section 8.4(d) and the Change in Control Payment (Section 8.4(f) or 8.4(g)), shall be subject to the Executive executing a release of claims against the Company before the end of the Release Expiration Date (defined below) and provided further that nothing contained in such release shall constitute a release of the Company from any obligations it may have to the Executive (a) under this Agreement or any other written agreement between the Executive and the Company in effect as of the Date of Termination; (b) relating to any employee benefit plan, stock option plan, stock option agreement or ownership of the Company's stock or debt securities; or (c) relating to any rights of indemnification and/or defense under the Company's certificate of incorporation, bylaws, or coverage under officers and directors insurance. The Company will deliver such release to Executive pursuant to and in accordance with the terms of this Section 8.5 within ten (10) business days following the date on which such termination of employment constitutes a separation of service under the terms of this Agreement, and the Company's failure to deliver such release prior to the expiration of such ten (10) business day period shall constitute a waiver of any requirement to execute such release. Assuming timely delivery of the release by the Company, if the release is pursuant to and in accordance with this Section 8.5, and Executive fails to execute such release on or prior to the Release Expiration Date, Executive will not be entitled to any severance payments or benefits otherwise subject to the release condition. In any case where the date of the separation from service and the Release Expiration Date fall in two separate taxable years, any payments required to be made to Executive that are subject to the release condition and are treated as nonqualified deferred compensation for purposes of Section 409A shall be made in the later taxable year. The term "***Release Expiration Date***" shall

mean the date that is twenty-one (21) days following the date upon which the Company timely delivers to Executive the release contemplated above, or in the event that Executive's separation from service is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery.

8.6 No Duty to Mitigate. The Executive shall not be required to mitigate the amount of any payment provided for in this Section 8 by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Section 8 be reduced by any compensation earned by the Executive as the result of the Executive's employment by another employer or business or by profits earned by the Executive from any other source at any time before and after the Executive's date of termination.

9. **Confidentiality.** The Executive's obligations and responsibilities with respect to the confidential information of the Company are set forth in and governed by the Confidentiality and Assignment Agreement between the Company and the Executive executed by the parties on the Hire Date ("***2014 Confidentiality and Assignment Agreement***"), as may be amended, modified, or superseded by the parties thereto from time to time.

10. **Indemnification.** The Company shall indemnify and hold harmless the Executive against any and all expenses reasonably incurred by him in connection with or arising out of (a) the defense of any action, suit or proceeding in which he is a party, or (b) any claim asserted or threatened against him, in either case by reason of or relating to his being or having been an employee, officer or director of the Company or a subsidiary of the Company, whether or not he continues to be such an employee, officer or director at the time of incurring such expenses, except insofar as such indemnification is prohibited by law. Such expenses shall include, without limitation, the fees and disbursements of attorneys, amounts of judgments and amounts of any settlements, provided that such expenses are agreed to in advance by the Company. The foregoing indemnification obligation is independent of any similar obligation provided in the Company's certificate of incorporation or bylaws, and shall apply with respect to any matters attributable to periods prior to the date of this Agreement, and to matters attributable to the Executive's employment hereunder, without regard to when asserted. In no event shall the Company be liable for the fees and expenses of more than one counsel (in addition to any local counsel) separate from its own counsel, and the Company will not indemnify the Executive for the fees or expenses of the Executive's counsel in connection with any claim which is being defended by counsel appointed by the Company or the Company's insurance carrier; provided, however, that if the Executive shall have reasonably concluded (based on the advice of counsel) that there is a conflict of interest between the Company and the Executive for counsel appointed by the Company or the Company's insurance carrier that would prohibit the counsel retained by the Company or its insurance carrier from representing the Executive, the Company shall reimburse the Executive for the reasonable fees and expenses of one (1) separate counsel for the Executive in connection with such claims, subject to the limitations set forth above in this Section 10.

11. **Section 409A and Section 280G of the Code.**

11.1 Compliance with Section 409A. It is intended that the provisions of this Agreement comply with or be excepted from Section 409A, as applicable, and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. If any provision of this Agreement (or of any award of compensation, including equity compensation or benefits) would cause the Executive to incur any additional tax or interest under Section 409A, the Company shall, upon the specific request of the Executive, use its reasonable business efforts to in good faith reform such provision to comply with Section 409A; provided, that to the maximum extent practicable, the original intent and economic benefit to the Executive and the Company of the applicable provision shall be maintained, but the Company shall have no obligation to make any changes that could create any additional economic cost or loss of benefit to the Company. The Company shall timely use its reasonable business efforts to amend any plan or program in which the Executive participates to bring it in compliance with Section 409A to the extent such compliance is required. Notwithstanding the foregoing, the Company shall have no liability with regard to any failure to comply with Section 409A so long as it has acted in good faith with regard to compliance therewith.

11.2 Separation From Service. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "***Separation from Service***" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "resignation," "termination," "termination of employment" or like terms shall mean Separation from Service. If the Executive is deemed on the date of termination of his employment to be a "***specified employee***", within the meaning of that term under Section 409A(a)(2)(B) of the Code and using the identification methodology selected by the Company from time to time, or if none, the default methodology, then with regard to any payment, the providing of any benefit or any distribution of equity made subject to this Section to the extent required to be delayed in compliance with Section 409A(a)(2)(B) of the Code, and any other payment, the provision of any other benefit or any other distribution of equity that is required to be delayed in compliance with Section 409A(a)(2)(B) of the Code, such payment, benefit or distribution shall not be made or provided prior to the earlier of (i) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (ii) the date of the Executive's death. On the first day of the seventh month following the date of the Executive's Separation from Service or, if earlier, on the date of his death, (x) all payments delayed pursuant to this Section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein and (y) all distributions of equity delayed pursuant to

this Section 11 shall be made to the Executive. In addition to the foregoing, to the extent required by Section 409A(a)(2)(B) of the Code, prior to the occurrence of a Disability termination as provided in this Agreement, the payment of any compensation to the Executive under this Agreement shall be suspended for a period of six months commencing at such time that the Executive shall be deemed to have had a Separation from Service because either (A) a sick leave ceases to be a bona fide sick leave of absence, or (B) the permitted time period for a sick leave of absence expires (an "***SFS Disability***"), without regard to whether such SFS Disability actually results in a Disability termination. Promptly following the expiration of such six-month period, all compensation suspended pursuant to the foregoing sentence (whether it would have otherwise been payable in a single sum or in installments in the absence of such suspension) shall be paid or reimbursed to the Executive in a lump sum. On any delayed payment date under this Section there shall be paid to the Executive or, if the Executive has died, to his estate, in a single cash lump sum together with the payment of such delayed payment, interest on the aggregate amount of such delayed payment at the Delayed Payment Interest Rate (defined below in this Section 11.2) computed from the date on which such delayed payment otherwise would have been made to the Executive until the date paid. For purposes of the foregoing, the "***Delayed Payment Interest Rate***" shall mean the short term applicable federal rate provided for in Section 1274(d) of the Code as of the business day immediately preceding the payment date for the applicable delayed payment. To the extent that th**is** Agreement provides for any payments of nonqualified deferred compensation (within the meaning of Section 409A) to be made in installments (including, without limitation, any severance payments), each such installment shall be deemed to be a separate and distinct payment for purposes of Section 409A**.**

11.3 Reimbursement Provisions. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (ii) shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period the arrangement is in effect and (iii) such payments shall be made on or before the last day of the Executive's taxable year following the taxable year in which the expense was incurred.

11.4 280G Parachute Payments. In the event that any payments or benefits (whether made or provided pursuant to this Agreement or otherwise) provided to Executive constitute "parachute payments"' within the meaning of Section 280G of the Code ("***Parachute Payments***"), and will be subject to an excise tax imposed pursuant to Section 4999 of the Code, the Executive's Parachute Payments will be reduced to an amount determined by the Company in good faith to be the maximum amount that may be provided to the Executive without resulting in any

portion of such Parachute Payments being subject to such excise tax (the amount of such reduction, "***Cutback Benefits***"). The Parachute Payment reduction contemplated by the preceding sentence, if applicable, shall be implemented by determining the "Parachute Payment Ratio" (as defined below) for each Parachute Payment and then reducing the Parachute Payment in order beginning with the Parachute Payment with the highest Parachute Payment Ratio. For Parachute Payments with the same Parachute Payment Ratio, such Parachute Payments shall be reduced based on the time of payment of such Parachute Payments, with amounts having later payment dates being reduced first. For Parachute Payments with the same Parachute Payment Ratio and the same time of payment, such Parachute Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Parachute Payments with a lower Parachute Payment Ratio. For purposes hereof, the term "***Parachute Payment Ratio***" shall mean a fraction the numerator of which is the value of the applicable Parachute Payment for purposes of Section 280G of the Code and the denominator of which is the intrinsic value of such Parachute Payment.

11.5 Dodd-Frank Requirement. Notwithstanding any provision of this Agreement to the contrary, Executive acknowledges that any incentive-based compensation paid to Executive pursuant hereto may be subject to recovery by the Company under any generally applicable clawback policy which is adopted, as required under Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations of the United States Securities and Exchange Commission thereunder or the requirements of any national securities exchange on which the Company's common stock may be traded.

12. **Miscellaneous.**

12.1 Governing Law. This Agreement shall be deemed to be a contract made under the laws of the State of Delaware and for all purposes shall be governed by and construed in accordance with those laws, without reference to principles of conflict of laws. The Company and the Executive unconditionally consent to submit to the exclusive jurisdiction of any state or federal court located in Oklahoma County, State of Oklahoma for any actions, suits or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts), and further agree that service of any process, summons, notice or document by registered mail to the address set forth below shall be effective service of process for any action, suit or proceeding brought against the Company or the Executive, as the case may be, in any such court.

12.2 No Assignment. The Executive may not delegate his duties or assign his rights hereunder. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company other than pursuant to a merger or consolidation in which the Company is not the continuing entity, or a sale, liquidation or other disposition of all or substantially all of the assets of the Company. For the purposes of this Agreement, the term "***Company***" shall include

the Company and, subject to the foregoing, any of its successors and assigns. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

12.3 Severable. The invalidity or unenforceability of any provision hereof shall not in any way affect the validity or enforceability of any other provision.

12.4 Entire Understanding. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of the Executive by the Company and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever, it being acknowledged and agreed by the parties, however, that (a) the Letter Agreement shall, except as superseded by the express terms of this Agreement, remain in effect until the Promotion Effective Date, at which time it shall terminate and become null and void and (b) the Severance Agreement shall terminate and become null and void effective as of the Effective Date. Any modification or termination of this Agreement will be effective only if it is in writing signed by the party to be charged.

12.5 Amendment to 2014 Confidentiality and Assignment Agreement. Section 15 of the 2014 Confidentiality and Assignment Agreement, between the Company and the Executive is hereby deleted in its entirety and replaced with the following:

> "15. Termination of Employment.
>
> I understand and agree that I or the Company may terminate my employment pursuant to the terms of the Employment Agreement, dated April 27, 2015, between me and the Company ("***Employment Agreement***") and that this Confidentiality Agreement shall in no way be construed or operate to change or modify the Employment Agreement or to prevent the Company or me from dispensing with my services pursuant to the terms of the Employment Agreement."

All of the terms and conditions of the Confidentiality Agreement, as amended by this Section 12.5, shall remain in full force and effect.

12.6 Amendment to 2014 NQSO. The Non-Qualified Stock Option Agreement, effective March 3, 2014, by and between the Company and the Executive, for the purchase of up to 150,000 shares of the Company's common stock (the "2014 NQSO") is hereby amended by (a) changing the heading of Section 4.3(d) thereof from "Change of Control" to "Change in Control" and (b) deleting from Section 4.3(d) thereof the phrase "a Change of Control (as defined in the Severance Agreement, dated as of the Grant Date, between the Company and Participant (the "Severance Agreement"))" and inserting the following phrase in lieu thereof:

> "a Change in Control (as defined in the Employment Agreement, dated April 27, 2015, between the Company and Participant)"

All of the terms and conditions of the 2014 NQSO, as amended by this Section 12.6, shall remain in full force and effect.

12.7 Counterparts. This Agreement may be executed by the parties in one or more counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto.

12.8 Mutual Non-Disparagement. Subject to applicable law, the Executive covenants and agrees that the Executive shall not in any way publicly disparage, call into disrepute, or otherwise defame or slander the Company or any of its subsidiaries, in any manner that would materially damage the business or reputation of the Company or its subsidiaries. The Company covenants and agrees, on behalf of itself and its subsidiaries, that neither the Company, any of its subsidiaries nor any of the officers or directors of the Company or any of its subsidiaries shall in any way publicly disparage, call into disrepute, or otherwise defame or slander the Executive. Nothing in this Section 12.8 shall preclude or restrict the Executive or the Company or any of the subsidiaries of the Company from making truthful statements, including, without limitation, those that are required by applicable law, regulation or in connection with a legal process or proceeding, and the making of such statements shall not be a violation of this subsection.

12.9 Confidential Information and Certain Restrictive Covenants

12.9.1 No Disclosure. Subject to the terms of this Section 12.9, during the Restricted Period (as defined below), the Executive agrees to hold in confidence and not disclose any and all proprietary, secret or confidential information ("Confidential Information") relating to the Company or the Company's subsidiaries, which shall have been obtained by the Executive during the Executive's employment by the Company. Confidential Information is defined as the proprietary, client or business information of the Company, written or in a physical embodiment, including, but not limited to, customer lists, employee lists, financial information, pricing data, sales data, marketing data, or business plans or proposals.

12.9.2 Exception. Notwithstanding the provisions of Section 12.9.1 above, the Executive shall not be held liable for disclosure of information which was in the public domain, or is readily available to the public at the time of its disclosure by the Executive through means unrelated to Executive's disclosure, or is required to be disclosed in, or in connection with, a legal proceeding or process or is required to be disclosed by law, rule or regulation.

12.9.3 Other Restrictive Covenant. Subject to the terms hereof, the Executive agrees that during the Restricted Period he will not, by or for himself, or as an agent, representative or employee of another, do or attempt to solicit, entice, persuade or induce any individual who is employed by the Company or its subsidiaries (or was so employed within 90 days prior to the Executive's action) to terminate or refrain from renewing or extending such employment or to become employed by or enter into contractual relations with any other individual or entity other than the Company or its subsidiaries.

12.9.4 Restricted Period. "Restricted Period" is the 12-month period after the date of termination of the Executive's employment with the Company.

12.9.5 Confidentiality and Assignment Agreement. If any of the restrictions provided in this Section 12.9 are contrary to the requirements or limitations contained in the 2014 Confidentiality and Assignment Agreement, the terms of this Section 12.9 shall be controlling.

13. **Notices.**

All notices relating to this Agreement shall be in writing and shall be either personally delivered, sent by telecopy (receipt confirmed) or mailed by certified mail, return receipt requested, to be delivered at such address as is indicated below, or at such other address or to the attention of such other person as the recipient has specified by prior written notice to the sending party. Notice shall be effective when so personally delivered, one business day after being sent by telecopy or five days after being mailed.

To the Company:

LSB Industries, Inc.
16 South Pennsylvania Avenue
Post Office Box 754
Oklahoma City, OK 73107
Attention: General Counsel

With copies in the same manner to:

Conner & Winters, LLP
1700 One Leadership Square
211 North Robinson
Oklahoma City, OK 73102-71012
Attention: Irwin Steinhorn, Esq.

To the Executive:

Mark T. Behrman
6208 Waterford Blvd, Unit 113
Oklahoma City, OK 73118

With a copy in the same manner to:

Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Attention: Robert Mittman, Esq.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the 27th day of April 2015.

LSB Industries, Inc.:

By: /s/ Barry H. Golsen
Barry H. Golsen,
Chief Executive Officer

Executive:

/s/ Mark T. Behrman
Mark T. Behrman

EXHIBIT "A"
MARK T. BEHRMAN
EMPLOYMENT AGREEMENT

LSB INDUSTRIES, INC.
(2008 Stock Incentive Plan)

NON-QUALIFIED
STOCK OPTION AGREEMENT

THIS NON-QUALIFIED STOCK OPTION AGREEMENT (this "Agreement") is effective as of the Grant Date set forth in paragraph 2 below, by and between LSB INDUSTRIES, INC., a Delaware corporation (the "Company"), and Participant named in paragraph 2 below and a signatory hereto. For valuable consideration, the Company and Participant agree as follows.

1. Background. Participant is an employee, officer or director of the Company or an Affiliate, whom the Compensation and Stock Option Committee of the Board of Directors of the Company (the "Committee") has selected to receive an award under the Company's 2008 Stock Incentive Plan (as may be amended from time to time, the "Plan"). The purpose of the award is to retain and motivate Participant by providing Participant the opportunity to acquire a proprietary interest in the Company and to link Participant's interests and efforts to the long-term interests of the Company's shareholders.

2. Certain Defined Terms. The following terms will have the meanings ascribed below:

Participant:	Mark T. Behrman
Option Shares:	**50,000** shares of the Company's common stock, par value $.10 per share
Exercise Price:	[CLOSING PRICE ON LAST TRADING DAY BEFORE THE GRANT DATE] per share
Grant Date:	[June] [ ], 2015
Expiration Date:	[June] [ ], 2025

3. Option Grant. Subject to the terms of the Plan and of this Agreement, the Company hereby grants to Participant the right and option (the "Option") to purchase all or any portion of the Option Shares on or before the Expiration Date.

4. Terms and Conditions of the Option. The Option will be subject to the terms and conditions of this Plan and the following:

4.1 Exercise of Option. The Exercise Price is the price per share of common stock acquired upon exercise of the Option. The Option will be exercisable as specified herein and in the Plan by written notice directed to the Company at its principal

place of business setting forth the exact number of Option Shares that Participant is purchasing. The Option will not be deemed to be exercised until the Exercise Price for the number of Option Shares to be purchased is collected by the Company, and Participant has complied with such other reasonable requirements as the Committee may establish. Payment of the Exercise Price for the number of Option Shares to be acquired upon exercise of the Option will be by (a) check or wire transfer, or (b) only if the date of notice of exercise is not within a "blackout" period or other period during which the Participant is prohibited under law or policies adopted by the Company from trading in the Company's securities, by tendering by attestation shares of Common Stock already owned by the Participant that on the day prior to the exercise date have a Fair Market Value equal to the aggregate exercise price of the shares being purchased under the Option, provided that the Participant must have held for at least six months any such tendered shares that were acquired by the Participant under a Company-sponsored stock compensation program. The Option may not be exercised after the Expiration Date.

4.2 Vesting. The Option will vest and be exercisable in six installments, based upon Participant's years of continuous employment with the Company or an Affiliate from the Grant Date, as follows:

(a) the Option will vest as to, and be exercisable for the purchase of, 16.5% of the Option Shares after one year;

(b) the Option will vest as to, and be exercisable for the purchase of, an additional 16.5% of the Option Shares after two years;

(c) the Option will vest as to, and be exercisable for the purchase of, an additional 16.5% of the Option Shares after three years;

(d) the Option will vest as to, and be exercisable for the purchase of, an additional 16.5% of the Option Shares after four years;

(e) the Option will vest as to, and be exercisable for the purchase of, an additional 16.5% of the Option Shares after five years; and

(f) the Option will vest as to, and be exercisable for the purchase of, 100% of the Option Shares after six years.

Except as provided in paragraph 4.3 or 4.4 of this Agreement, the Committee will have the sole and absolute discretion to accelerate the time when Participant will become entitled to exercise the Option.

4.3 Acceleration. Notwithstanding anything to the contrary contained herein, in the event of (a) a Change in Control (as defined in the Employment Agreement between the Participant and the Company dated as of April 27, 2015 (the

"Employment Agreement")) and the Participant's employment with the Company is terminated for any reason (other than by the Company for Cause) within 24 months after the date of such Change in Control or (b) the Participant's Termination of Service (as defined in the Plan) pursuant to any of Sections 4.4 (a), (b) and (c) below, the Option shall vest in its entirety and become immediately and automatically exercisable for the purchase of all of the Option Shares (to the extent not already exercised) commencing on the earlier to occur of (i) with respect to clause (a) above, the date of such termination of employment with the Company after the date the Company incurs such Change in Control and (ii) with respect to clause (b) above, the applicable date of Termination of Service and in the manner (and to the extent) expressly set forth in Section 4.4 with respect to such Termination of Service.

4.4 Exercise after Termination of Service. The Option may not be exercised after a Termination of Service (as defined in the Plan), except as follows:

(a) Death. If Participant dies prior to the termination of the Option, then, notwithstanding anything to the contrary contained herein, the Option shall vest in its entirety and become immediately and automatically exercisable for the purchase of all of the Option Shares (to the extent not already exercised), commencing on the date of Participant's death, and may be exercised by the personal representative of Participant's estate, or by a person who acquired the right to exercise the Option by bequest, inheritance, or by reason of the death of Participant, from time to time and in whole or in part, until the earlier of the Expiration Date and the first anniversary of the death of Participant; provided that Participant died while an employee of the Company or an Affiliate.

(b) Disability. If the Termination of Service is on account of a Disability (as defined in the Plan), then, notwithstanding anything to the contrary contained herein, to the extent not already vested, the Option shall vest in its entirety and become immediately and automatically exercisable for the purchase of all of the Option Shares (to the extent not already exercised), commencing on the date of Termination of Service, and may be exercised by the Participant, from time to time and in whole or in part, until the earlier of the Expiration Date and the first anniversary of the date of Termination of Service.

(c) Termination Without Cause or With Good Reason. If the Termination of Service is a termination by the Company of the Participant's employment without Cause (other than a Termination of Service by reason of Participant's death or Disability) or it is a result of Participant's resignation as a result of Good Reason (each of "Cause" and "Good Reason" as defined in the Employment Agreement), then, notwithstanding anything to the contrary contained herein, to the extent not already vested, the Option shall vest in its entirety and become immediately and automatically exercisable for the purchase of all of the Option Shares (to

the extent not already exercised), commencing on the date of Termination of Service, and may be exercised by the Participant, from time to time and in whole or in part, until the earlier of the Expiration Date and the 60th day following the date of Termination of Service.

(d) Termination With Cause or Without Good Reason. If the Termination of Service is a termination by the Company of the Participant's employment for "Cause" or by the Participant without Good Reason, the Participant may exercise the Option for a period of sixty (60) days after the date of Termination of Service, but only as to the number of Option Shares that were vested as of the date of Participant's Termination of Service, except as otherwise expressly provided in Section 4.3(a).

Notwithstanding any provision of this paragraph 4.4, the Option may not be exercised after the Expiration Date.

4.5 Investment Representation. If Option Shares issued pursuant to the exercise of the Option are not subject to an effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"), Participant agrees to represent and warrant in writing at the time of any exercise of the Option or any portion thereof that the Option Shares are being purchased only for investment and without any present intention to sell or distribute such shares, and further agrees that the certificate representing Option Shares so acquired may bear an appropriate legend and will be sold or transferred only in accordance with the rules and regulations of the Securities and Exchange Commission (the "SEC") or any applicable law, regulation, or rule of any governmental agency.

4.6 Taxes. Participant shall pay all original issue or transfer taxes and all other fees and expenses incident to the issue, transfer, or delivery of Option Shares.

4.7 Not Assignable. The Option or any interest in the Option may not be sold, assigned, pledged (as collateral for a loan or as security for the performance of an obligation or for any other purpose) or transferred by Participant or made subject to attachment or similar proceedings otherwise than by will or by the applicable laws of descent and distribution, except that to the extent permitted by the Committee, in its sole discretion, a Participant may designate on a Company-approved form one or more beneficiaries who may purchase Option Shares under the Option after Participant's death. During a Participant's lifetime, the Option may be exercised only by Participant.

4.8 No Rights until Issue. No right to vote or receive dividends or any other rights as a stockholder of the Company will exist with respect to the Option Shares, notwithstanding the exercise of the Option, until the issuance to Participant of a stock certificate or certificates representing such shares.

4.9 Anti-dilution. In the event of a stock dividend, stock split, spin-off, combination or exchange of shares, recapitalization, merger, consolidation, distribution to shareholders other than a normal cash dividend or other change in the Company's corporate or capital structure, then the Committee shall make proportional adjustments in the Option and/or the Plan as described in the Plan.

4.10 Delivery of Option Shares. The Company will deliver the Option Shares to be acquired upon the exercise of the Option within a reasonable period following (a) the receipt of the written notice of exercise, (b) collection of payment in full of the Exercise Price for such shares, and (c) Participant's payment of any tax withholding obligations in accordance with paragraph 6 of this Agreement. If any law, regulation or stock exchange requires the Company to take any action with respect to such shares before the issuance thereof, then the date of delivery of such shares shall be extended for the period necessary to take such action.

5. The Plan. Participant acknowledges receipt of a copy of the Plan and represents that Participant is familiar with the terms and provisions of the Plan and hereby accepts the Option subject to all such terms and provisions. In addition to the definitions contained in this Agreement, certain words and phrases used in this Agreement may be defined in the Plan.

6. Withholding. Upon the exercise of an Option requiring tax withholding, Participant will be required to pay to the Company for remittance to the appropriate taxing authorities an amount necessary to satisfy the employee's portion of federal, state and local taxes, if any, incurred by reason of the exercise of an Option.

7. Employment. Nothing in the Plan or in this Agreement shall confer upon Participant any right to continued employment as an employee of the Company or interfere in any way with the right of the Company to terminate Participant's employment at any time.

8. Transferability of Shares. If a registration statement with respect to the issuance of Option Shares to Participant upon the exercise of the Option or any portion thereof is not in effect at the time of such issuance of Option Shares by the Company, at the time of the proposed transfer of Option Shares, Participant shall not offer, sell, hypothecate, transfer or otherwise dispose of any of the Option Shares issued pursuant to the exercise of the Option or any portion thereof unless either (a) a registration statement with respect to such Option Shares is then in effect under the Securities Act, and any applicable state securities laws, and such offer, sale, transfer or other disposition is accompanied by a prospectus relating to such registration statement and meeting the requirements of the Securities Act; or (b) counsel satisfactory to the Company renders an opinion in writing, addressed to the Company and acceptable to the Company and its counsel, to the effect that, in the opinion of such counsel, such proposed offer, sale, transfer or other disposition of such Option Shares is exempt from the provisions of Section 5 of the Securities Act and the applicable state securities laws in view of the circumstances of such proposed offer, sale, transfer or other disposition.

9. Binding Agreement. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, trustees, successors and assigns.

[SIGNATURES APPEAR ON NEXT PAGE]

EXECUTED as of the day and year first above written.

LSB INDUSTRIES, INC., a Delaware corporation

By: _____
Name: _____
Title: _____

(the "Company")

_____
Signature

Mark T. Behrman
Please print name

("Participant")

Exhibit 99.5

16 SOUTH PENNSYLVANIA • POST OFFICE BOX 754 • OKLAHOMA CITY, OK U.S.A. 73101 • PHONE 405-235-4546 • FAX 405-236-1209

February 5, 2014

Mark T. Behrman
444 East 84th Street
New York, New York 10028

Dear Mark:

I am pleased to offer you employment at LSB Industries, Inc. ("LSB" or "the Company"). The position offered is that of Senior Vice-President Business Development, reporting to me. This letter, the terms and issuance of which have been approved by the LSB Board of Directors and all required committees of the Board, outlines the proposal to you of your employment with the Company.

Your responsibilities will include, but not be limited to, those duties outlined below. These responsibilities may be adjusted from time to time according to the needs of the Company and the duties assigned to you by the Board of Directors and with the CEO and President of the Company, provided that they remain consistent with and in the reasonable scope of those outlined below and there is no material diminution in your duties or responsibilities from those outlined below.

- Mergers and acquisitions – in conjunction with guidance from other LSB management and LSB subsidiary management, the development and qualification of potential strategic acquisitions. Where appropriate, the due diligence efforts required to complete acquisitions deemed appropriate by the Company.
- New business concept identification and development.
- Investor relations and investment banking industry relations.
- Participation in the LSB senior leadership team.

The start date for this position will be March 3, 2014.

Base Salary:

The annualized rate of salary offered, paid biweekly, is $300,000.00, less all amounts required to be withheld or deducted under applicable federal, state and local laws and regulations, and any amounts you elect to have deducted for benefits offered by the Company.

Incentive Compensation:

Calendar Year 2014 - Unless (a) you are terminated by the Company for your violation of the Company's Code of Business Conduct or the Company's Confidentiality and Assignment Agreement (copies of each of which are attached hereto as Exhibits A and B, respectively), your embezzlement of the Company's assets, or your conviction of a felony by a court of competent jurisdiction or (b) you voluntarily leave the Company for any reason other than because you are required to be based at an office outside of Oklahoma City, Oklahoma, you are required to report to someone other than the Company's President or CEO, or there is a material diminution in either your authority, duties or responsibilities or the authority, duties or responsibilities of the corporate officer to whom you are required to report, you will receive a minimum bonus of $150,000 for the calendar year 2014, which will be paid on the earlier date to occur of (i) the date in 2015 that bonuses are paid to the Company's other management personnel for the 2014 calendar year and (ii) July 1, 2015.

Calendar Year 2015 and beyond – Commencing with calendar year 2015, you will be considered by the Compensation and Stock Option Committee of the Board of Directors for an annual bonus each calendar year based upon your performance and the financial performance of the Company using criteria consistent with the criteria used in determining bonuses for that particular calendar year for other members of the Company's senior leadership team. There is no guarantee, however, that in any such subsequent years a bonus will be awarded. Further, in any such subsequent years, in order to be eligible for a bonus for any particular year, you must be employed on December 31st of that year and at the time bonuses are distributed, generally in the middle of the following year but always prior to the last day of the following year (e.g. in order to be considered to receive a bonus for the 2015 calendar year you must be employed on December 31, 2015 and when bonuses are paid, approximately mid-year 2016, but no later than December 31, 2016). Once you are awarded a bonus, it will be paid to you at the time other management bonuses are paid for that bonus year.

Stock Options:

Upon your employment with the Company, you will be granted an option to purchase up to 150,000 shares of LSB common stock which will be governed by an option agreement, substantially in the form attached to this letter as Exhibit C. The option agreement will govern all terms of the option.

Severance Agreement:

Effective upon your hire date, the Company will enter into a Severance Agreement with you in the form attached to this letter as Exhibit D.

Dodd-Frank Requirement:

> Notwithstanding any provision of this letter to the contrary, you acknowledge that any incentive-based compensation paid to you pursuant hereto may be subject to recovery by the Company under any clawback policy which is adopted, as required under Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations of the United States Securities and Exchange Commission thereunder or the requirements of any national securities exchange on which the Company's common stock may be listed.

Authorized business expenses, such as travel and entertainment, will be reimbursed by the Company at its sole discretion. For reimbursement, you will need to prepare and submit a detailed expense report that includes bona fide receipts. You will also receive the use of a company car, or a car allowance of $550.00 per month, to be determined and agreed to at a later time. All of the foregoing is subject to regular LSB policies as amended from time to time.

Your employment is contingent upon your successful completion of our employment process, including but not limited to, a pre-employment drug and alcohol test and physical, as well as a background check.

You will be also required to sign the Company's Confidentiality and Assignment Agreement protecting the Company's rights to proprietary information and the Company's Code of Business Conduct agreeing to sustain ethical business practices.

You will be eligible for four weeks paid vacation per calendar year. This vacation should be taken by December of the applicable year. If vacation is not used during a calendar year, you will not be able to carry unused vacation days over to the following year. Other benefits are outlined in the employee handbook and specific benefit summaries and booklets and are generally available following a 90-day waiting period. These benefits include: comprehensive health, dental and vision plans administered by BlueCross, basic and voluntary life insurance, short and long term disability insurance with supplemental options, an employee contribution 401(k) plan, a Section 125 medical and dependent care reimbursement plan, and an employee assistance program. The Company has reserved the right to amend, modify or terminate any of its employee benefits at any time, without advance notice, except as required by applicable law.

> The Company will pay for approved relocation costs as follow:
>
> Selling costs for the sale of your existing Long Island residence. These costs include:
>
> > Real estate agent's fee – The Company will pay for the cost of the real estate sales commission (6% maximum) on your Long Island residence.
> >
> > Closing costs on Long Island residence – The Company will pay closing costs on your Long Island residence (maximum 1.5% of value) to include the following items:
> >
> > - Mortgage release fees

- Abstract update or title insurance
- Loan survey
- Title company closing fee
- Deed transfer tax or revenue stamps

Both the real estate agent's fee and closing costs on your new house will be reimbursed on or immediately prior to such costs being incurred, subject to presentation of an advance copy of the closing costs from the title company.

Cost of buying a house in Oklahoma City:

The Company will pay for the following costs, limited to 2.5% of the value of the new house:

- Normal market level points (not including buy-down points)
- Survey
- Recording fee
- Title company fee
- Title insurance
- Credit Bureau check
- Appraisal fee

All approved expenses will be reimbursed on or prior to closing of a new residence in Oklahoma City, Oklahoma. An advance copy of the closing costs from the title company must be presented with the expense request.

Packing, moving and valuation coverage of your household effects:

A nationally recognized moving company will be specified and approved for use. If storage is necessary, the Company will pay up to sixty (60) days. If in route to the new location by car, the Company will reimburse reasonable lodging costs. Items the Company does not cover are: frozen foods, houseplants, animals and pets, boats and trailers, etc. In addition, the Company normally does not cover items such as laying or taking up carpets, draperies, home workshops, television antennas, exclusive use or expedited use of moving vehicles, etc.

Any IRS regulations about reporting moving and related moving expenses as a gross income on the employee's W-2 form will be followed as the rules apply.

In the event permanent housing is not immediately available and your permanent presence is required in Oklahoma City, we will pay for out-of-pocket costs associated with duplicate living expenses for a period of four (4) months. After four (4) months, this will be evaluated month to month.

To the extent that any right to reimbursement of expenses under this letter agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")), (i) any such expense reimbursement shall be made by or the Company no later than the last day of the taxable year following the taxable year in which such expense was incurred by you, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

Remember that in the event you accept employment with the Company, you will be an at will employee of the Company. While this offer outlines some of the details of your employment with the Company, the Company reserves the right to change its policies and benefits program at any time. All payments will be subject to compliance with Section 409A of the Internal Revenue Code. This letter does not constitute an employment contract but is instead intended to outline certain commitments by the Company, your assignment and certain benefits available to you at this time.

We look forward to having you join the LSB team. Please show your acceptance of this offer by signing below and returning one copy to me no later than February 12, 2014. This offer will expire after that date.

Sincerely,

/s/ Barry H. Golsen
Barry H. Golsen
President and Chief Operating Officer

The undersigned has read, understood, agrees to and accepts the terms of the foregoing letter this 5th day of February, 2014.

/s/ Mark Behrman
Mark Behrman

LSB INDUSTRIES, INC.
(2008 Stock Incentive Plan)

NON-QUALIFIED
STOCK OPTION AGREEMENT

THIS NON-QUALIFIED STOCK OPTION AGREEMENT (this "Agreement") is effective as of the Grant Date set forth in paragraph 2 below, by and between LSB INDUSTRIES, INC., a Delaware corporation (the "Company"), and Participant named in paragraph 2 below and a signatory hereto. For valuable consideration, the Company and Participant agree as follows.

1. Background. Participant is an employee, officer or director of the Company or an Affiliate, whom the Compensation and Stock Option Committee of the Board of Directors of the Company (the "Committee") has selected to receive an award under the Company's 2008 Stock Incentive Plan (as may be amended from time to time, the "Plan"). The purpose of the award is to retain and motivate Participant by providing Participant the opportunity to acquire a proprietary interest in the Company and to link Participant's interests and efforts to the long-term interests of the Company's shareholders.

2. Certain Defined Terms. The following terms will have the meanings ascribed below:

Participant:	Mark T. Behrman
Option Shares:	**150,000** shares of the Company's common stock, par value $.10 per share
Exercise Price:	$32.69 per share
Grant Date:	March 3, 2014
Expiration Date:	March 3, 2024

3. Option Grant. Subject to the terms of the Plan and of this Agreement, the Company hereby grants to Participant the right and option (the "Option") to purchase all or any portion of the Option Shares on or before the Expiration Date.

4. Terms and Conditions of the Option. The Option will be subject to the terms and conditions of this Plan and the following:

4.1 Exercise of Option. The Exercise Price is the price per share of common stock acquired upon exercise of the Option. The Option will be exercisable as specified herein and in the Plan by written notice directed to the Company at its principal place of business setting forth the exact number of Option Shares that Participant is purchasing. The Option will not be deemed to be exercised until the Exercise Price for the number of Option Shares to be purchased is collected by the Company, and Participant has complied with such other reasonable requirements

as the Committee may establish. Payment of the Exercise Price for the number of Option Shares to be acquired upon exercise of the Option will be by (a) check or wire transfer, or (b) only if the date of notice of exercise is not within a "blackout" period or other period during which the Participant is prohibited under law or policies adopted by the Company from trading in the Company's securities, by tendering by attestation shares of Common Stock already owned by the Participant that on the day prior to the exercise date have a Fair Market Value equal to the aggregate exercise price of the shares being purchased under the Option, provided that the Participant must have held for at least six months any such tendered shares that were acquired by the Participant under a Company-sponsored stock compensation program. The Option may not be exercised after the Expiration Date.

4.2 Vesting. The Option will vest and be exercisable in six installments, based upon Participant's years of continuous employment with the Company or an Affiliate from the Grant Date, as follows:

(a) 16.5% of the Option Shares will vest and be exercisable after one year;

(b) an additional 16.5% of the Option Shares will vest and be exercisable after two years;

(c) an additional 16.5% of the Option Shares will vest and be exercisable after three years;

(d) an additional 16.5% of the Option Shares will vest and be exercisable after four years;

(e) an additional 16.5% of the Option Shares will vest and be exercisable after five years; and

(f) 100% of the Option Shares will vest and be exercisable after six years.

Except as provided in paragraph 4.3 of this Agreement, the Committee will have the sole and absolute discretion to accelerate the time when Participant will become entitled to exercise the Option.

4.3 Exercise after Termination of Service. The Option may not be exercised after a Termination of Service (as defined in the Plan), except as follows:

(a) Termination Other Than For Cause. Unless the Termination of Service is a result the of (i) a violation by Participant of the Company's Code of Business Conduct or the Company's Confidentiality and Assignment Agreement (copies of each of which Participant acknowledges receiving), (ii) embezzlement by Participant of the Company's assets, or (iii) Participant's conviction of a felony by a court of competent jurisdiction (each being a termination "For Cause"), Participant may exercise the Option for a period of 30 days after the date of Termination of Service, but

only as to the number of Option Shares that were vested as of the date of Participant's Termination of Service. Participant may not exercise the Option following a Termination of Service by the Company For Cause.

(b) Disability. If the Termination of Service is on account of a Disability (as defined in the Plan), Participant may exercise the Option within 12 months after the date of Termination of Service, but only as to the number of Option Shares that were vested as of the date of Participant's Termination of Service.

(c) Death. If Participant dies prior to the termination of the Option, the Option may be exercised within one year after the death of Participant by the personal representative of Participant's estate, or by a person who acquired the right to exercise the Option by bequest, inheritance, or by reason of the death of Participant; provided that (i) Participant died while an employee of the Company or an Affiliate or (ii) Participant ceased to be an employee of the Company or an Affiliate on account of a Disability and died within three months after the date of Termination of Service.

(d) Change of Control. If the Termination of Service occurs within two years following a Change of Control (as defined in the Severance Agreement, dated as of the Grant Date, between the Company and Participant (the "Severance Agreement")), and (i) the Termination of Service is not a termination For Cause, or (ii) the termination is a result of Participant's resignation as a result of (A) Participant being required by the Company to be based at an office located outside of the Oklahoma City, Oklahoma metropolitan area or (B) Participant being required by the Company to report to someone other than the Company's President or Chief Executive Officer, or (C) a material diminution in either Participant's authority, duties or responsibilities or the authority, duties or responsibilities of the corporate officer to whom Participant is required to report, then Participant's unvested Option Shares will immediately vest and be deemed vested as of the date of Termination of Service for purposes of (a), (b) and (c) of this paragraph 4.3.

Notwithstanding any provision of this paragraph 4.3, the Option may not be exercised after the expiration of 10 years from the Grant Date.

4.4 Investment Representation. If Option Shares issued pursuant to the exercise of the Option are not subject to an effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"), Participant agrees to represent and warrant in writing at the time of any exercise of the Option or any portion thereof that the Option Shares are being purchased only for investment and without any present intention to sell or distribute such shares, and further agrees that the certificate representing Option Shares so acquired may bear an appropriate legend and will be sold or transferred only in accordance with the rules and regulations of the Securities and Exchange Commission (the "SEC") or any applicable law, regulation, or rule of any governmental agency.

4.5 Taxes. Participant shall pay all original issue or transfer taxes and all other fees and expenses incident to the issue, transfer, or delivery of Option Shares.

4.6 Not Assignable. The Option or any interest on the Option may not be sold, assigned, pledged (as collateral for a loan or as security for the performance of an obligation or for any other purpose) or transferred by Participant or made subject to attachment or similar proceedings otherwise than by will or by the applicable laws of descent and distribution, except that to the extent permitted by the Committee, in its sole discretion, a Participant may designate on a Company-approved form one or more beneficiaries who may receive Option Shares under the Option after Participant's death. During a Participant's lifetime, the Option may be exercised only by Participant.

4.7 No Rights until Issue. No right to vote or receive dividends or any other rights as a stockholder of the Company will exist with respect to the Option Shares, notwithstanding the exercise of the Option, until the issuance to Participant of a stock certificate or certificates representing such shares.

4.8 Anti-dilution. In the event of a stock dividend, stock split, spin-off, combination or exchange of shares, recapitalization, merger, consolidation, distribution to shareholders other than a normal cash dividend or other change in the Company's corporate or capital structure, then the Committee shall make proportional adjustments in the Option and/or the Plan as described in the Plan.

4.9 Delivery of Option Shares. The Company will deliver the shares of common stock to be acquired upon the exercise of the Option within a reasonable period following (a) the receipt of the written notice of exercise, (b) collection of payment in full of the Exercise Price for such shares, and (c) Participant's payment of any tax withholding obligations in accordance with paragraph 6 of this Agreement. If any law, regulation or stock exchange requires the Company to take any action with respect to such shares before the issuance thereof, then the date of delivery of such shares shall be extended for the period necessary to take such action.

5. The Plan. Participant acknowledges receipt of a copy of the Plan and represents that Participant is familiar with the terms and provisions of the Plan and hereby accepts the Option subject to all such terms and provisions. In addition to the definitions contained in this Agreement, certain words and phrases used in this Agreement may be defined in the Plan.

6. Withholding. Upon the exercise of an Option requiring tax withholding, Participant will be required to pay to the Company for remittance to the appropriate taxing authorities an amount necessary to satisfy the employee's portion of federal, state and local taxes, if any, incurred by reason of the exercise of an Option.

7. Employment. Nothing in the Plan or in this Agreement shall confer upon Participant any right to continued employment as an employee of the Company or interfere in any way with the right of the Company to terminate Participant's employment at any time.

8. Transferability of Shares. If a registration statement with respect to the issuance of Option Shares to Participant upon the exercise of the Option or any portion thereof is not in effect at the time of such issuance of Option Shares by the Company, at the time of the proposed transfer of Option Shares, Participant shall not offer, sell, hypothecate, transfer or otherwise dispose of any of the Option Shares issued pursuant to the exercise of the Option or any portion thereof unless either (a) a registration statement with respect to such Option Shares is then in effect under the Securities Act, and any applicable state securities laws, and such offer, sale, transfer or other disposition is accompanied by a prospectus relating to such registration statement and meeting the requirements of the Securities Act; or (b) counsel satisfactory to the Company renders an opinion in writing, addressed to the Company and acceptable to the Company and its counsel, to the effect that, in the opinion of such counsel, such proposed offer, sale, transfer or other disposition of such Option Shares is exempt from the provisions of Section 5 of the Securities Act and the applicable state securities laws in view of the circumstances of such proposed offer, sale, transfer or other disposition.

9. Binding Agreement. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, trustees, successors and assigns.

EXECUTED as of the day and year first above written.

LSB INDUSTRIES, INC., a Delaware corporation

By: /s/ Jack E. Golsen
Name: Jack E. Golsen
Title: Chairman

(the “Company”)

/s/ Mark T. Behrman
Signature

Mark T. Behrman
Please print name

(“Participant”)

AMENDED & RESTATED
SEVERANCE AGREEMENT

THIS AMENDED AND RESTATED SEVERANCE AGREEMENT ("Agreement") between LSB Industries, Inc., a Delaware corporation (the "Company"), and TONY M. SHELBY (the "Executive"), dated this 27th day of April, 2015.

WHEREAS, the Company deems the services of the Executive to be of great and unique value to the business of the Company, and the Company desires to assure itself of continuity of management and to provide certain benefits to the Executive in the event of termination under certain limited conditions of Executive's employment with the Company;

WHEREAS, the Company and the Executive have previously entered into a Severance Agreement, dated January 17, 1989, as amended by the Amendment to Severance Agreement, dated December 17, 2008 (collectively, the "Original Severance Agreement");

WHEREAS, this Agreement replaces in all respects the Original Severance Agreement, and the parties hereto desire that the Original Severance Agreement shall become null and void upon the execution by the parties hereto of this Agreement.

IT IS, THEREFORE, AGREED:

1. Operation of Agreement.

1.1 The "Control Date" shall be the date during the "Change of Control Period" (as defined in Section 1.2) on which a Change of Control (as defined in Section 2) of the Company occurs.

1.2 The "Change of Control Period" is the period commencing on the date hereof and ending on the earlier to occur of (i) the third anniversary of such date, or (ii) the first day of the month coinciding with or next following the Executive's retirement date ("Normal Retirement Date") from the Company; provided, however, that commencing on the date one year after the date hereof, and on each annual anniversary of such date (the date one year after the date hereof and each annual anniversary of such date, is hereinafter referred to as the "Renewal Date"), the Change of Control Period shall be automatically extended so as to terminate on the earlier of (x) three years from such Renewal Date or (y) the first day of the month coinciding with or next following the Executive's Retirement Date from the Company, unless at least sixty (60) days prior to the Renewal Date the Company shall give notice that the Change of Control Period shall not be so extended.

1.3 For the purposes of this Agreement, the terms:

1.3.1 "Person" shall mean any individual, firm, corporation or other entity, and shall include any successor (by merger or otherwise) of such entity;

1.3.2 "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, as in effect on the date of this Agreement.

2. Change of Control. For purposes of this Agreement, a "Change of Control" means any of the following events occurring during the Change of Control Period:

(a) individuals who, as of April 1, 2015, constitute the Board of Directors of the Company (the "Board" generally and as of the date hereof the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any person becoming a director subsequent to April 1, 2015, whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, or other actual or threatened solicitation of proxies by or on behalf of an individual, entity or group other than the Board) shall be deemed to be, for purposes of this Agreement, a member of the Incumbent Board; or

(b) the date that any one person, or more than one person acting as a group (as defined in Treas. Regs. Section 1.409A-3), acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than fifty percent (50%) of the total fair market value or total voting power of the stock of the Company (other than acquisition by the Golsen Group (as defined below); or

(c) the date any one person, or more than one person acting as a group (as defined in Treas. Regs. Section 1.409A-3), acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Company possessing thirty percent (30%) or more of the total voting power of the stock of the Company, other than the acquisition by

(i) any Person or group, which as of the date hereof has such ownership; or

(ii) any of the Golsen Group (as defined below).

For the purposes of this Agreement, the term "Golsen Group" shall mean:

(A) Jack E. Golsen;

(B) the spouse of Jack E. Golsen;

(C) Barry H. Golsen, Steven J. Golsen and Linda Golsen Rappaport, who are the children of Jack E. Golsen, or any spouse of such children;

(D) any estate of, or the executor or administrator of any estate of, or any guardian or custodian for, any Person described in subparagraphs (A), (B), or (C), above, so long as such executor, administrator, guardian or custodian is acting only in his, her or its capacity as such;

(E) any corporation, trust (including any voting trust), general partnership, limited partnership, limited liability company, organization or other entity (whether now existing or hereafter formed) of which at least 80% of the outstanding beneficial voting or equity interest are beneficially owned, directly or indirectly, either (i) by one or more of the Persons described in subparagraphs (A), (B), (C), and (D), above, or (ii) by any combination of one or more of the Persons described in subparagraphs (A), (B), (C), and (D), above; and,

(F) any other Person (i) who or which is or becomes an Affiliate or Associate of any Person described in subparagraph (A), (B), (C), (D), or (E), above, or (ii) of which any Person described in subparagraph (A), (B), (C), (D), or (E), above, is or becomes an Affiliate or Associate; provided, however, in either case (i) or case (ii) of this subparagraph (F), such other Person is not the Beneficial Owner of 5% or more of the shares of Common Stock of the Company then outstanding (for purposes of determining the number of shares of Common Stock of the Company of which such other Person is the Beneficial Owner under this subparagraph (vii), such other Person shall not be deemed to beneficially own shares of any Person described in subparagraphs (A), (B), (C), (D), or (E), above, solely by reason of an Affiliate or Associate relationship of the kind described in (i) or (ii) above in this subparagraph (F)).

3. Termination.

3.1 Death. This Agreement shall terminate automatically upon the Executive's death.

3.2 Cause. The Company may terminate the Executive's employment for "Cause." For purposes of this Agreement, termination of Executive's employment by the Company for "Cause" shall mean termination for one of the following reasons:

3.2.1 the Executive shall be mentally or physically disabled from properly and fully performing his duties and responsibilities hereunder for a period of one hundred twenty (120) consecutive days, or one hundred eighty (180) days even though not consecutive, within any three hundred sixty (360) day period, all as determined by the Board in good faith and supported by medical evidence; or

3.2.2 the conviction of the Executive of a felony by a federal or state court of competent jurisdiction; or

3.2.3 an act or acts of embezzlement of the Company's assets taken by the Executive that resulted in substantial personal enrichment of the Executive at the expense of the Company; or

3.2.4 the Executive's willful failure during the period in which he is not mentally or physically disabled to follow a direct lawful written order from the Board that is within the reasonable scope of and consistent with the Executive's duties that the Executive has performed during the sixty (60) days period immediately preceding the Control Date (or, if after the Control Date, the Executive and the Company have agreed in writing to a change in his duties, then such written order must be within the reasonable scope of and consistent with the new duties so agreed by the Executive), which failure is not cured by the Executive within thirty (30) days after receipt by the Executive of written notice from the Company to cure such failure.

3.3 Termination of Employment for Good Reason. The Executive's employment may be terminated by the Executive for Good Reason. For purposes of this Agreement, "Good Reason" means:

3.3.1 (A) the assignment to the Executive of any duties inconsistent with the Executive's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities that he has had during the sixty (60) day period immediately preceding the Control Date (or, if after the Control Date, the Executive and the Company have agreed in writing to a change in such position, authority, duties or responsibilities, then such assignment shall not be consistent with the Executive's new position, authority, duties or responsibilities), or (B) any other action by the Company which results in a diminishment by such position, authority, duties or responsibilities, other than an insubstantial and inadvertent action which is remedied by the Company promptly after receipt of notice thereof given by the Executive; or

3.3.2 the Company's requiring the Executive to be based at any office or location other than that at which the Executive is based at the Control Date, except for travel reasonably required in the performance of the Executive's responsibilities;

3.3.3 any purported termination by the Company of the Executive's employment with the Company otherwise than as permitted by this Agreement, it being understood that any such purported termination shall not be effective for any purpose of this Agreement;

3.3.4 any failure by the Company to comply with and satisfy Section 8.3 of this Agreement; or

3.3.5 a determination by the Board of Directors of the Company, or a committee thereof, or the Chief Executive Officer of the Company that the Executive's employment with the Company should be terminated without "Cause," and, as a result of, or in connection with, such determination, the Executive's employment with the Company is terminated without "Cause," it being understood that any such termination by the Company shall not be effective for any purpose of this Agreement except as otherwise provided in Section 4.1.

For purposes of this Section 3.3, any good faith determination of "Good Reason" made by the Executive shall be conclusive.

3.4 Notice of Termination. Any termination by the Company for Cause or by the Executive for Good Reason shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 9.2 of this Agreement. For purposes of this Agreement, a "Notice of Termination" means a written notice which

3.4.1 indicates the specific termination provision in this Agreement relied upon,

3.4.2 sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and

3.4.3 if the termination date is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than fifteen (15) days after the giving of such notice).

3.5 Date of Termination. "Date of Termination" means, (a) if the termination is for Cause, the date of receipt of the Notice of Termination or any later date specified therein, (which date shall not be more than fifteen (15) days after the giving of such notice), as the case may be, and (b) if the termination is for Good Reason and the Company has not cured the default prior to the expiration of the applicable Cure Period, if any, the day immediately following the expiration date of the Cure Period. If the Executive's employment is terminated by the Company in breach of this Agreement, the Date of Termination shall be the date on which the Company notifies the Executive of such termination."

3.6 Notice Upon Termination for Good Reason. Notwithstanding any other provision of this Agreement, if the Executive intends to terminate the Executive's employment with the Company for Good Reason, the Executive must provide a Notice of Termination within ninety (90) days after the initial existence of the event that constitutes Good Reason. The Company will have thirty-five (35) days after receipt of such written notice to cure the default that constitutes Good Reason (the "Cure Period")."

3.7 Resignation. Termination of employment by voluntary resignation of the Executive.

4. Obligations of the Company upon Termination.

4.1 Amount of Payment. If

4.1.1 within twenty-four (24) months after the Control Date, the Company shall terminate the Executive's employment other than for Cause; or

4.1.2 within twenty-four (24) months after the Control Date, the employment of the Executive shall be terminated by the Executive for Good Reason; or

4.1.3 within twenty-four (24) months after the determination by the Board of Directors of the Company, or a committee thereof, or the Chief Executive Officer of the Company that the Executive's employment with the Company should be terminated without "Cause," the employment of the Executive with the Company is terminated by the Company without "Cause" as a result of, or in connection with, such determination, then such termination shall be a termination by the Executive for Good Reason for the purposes of this Agreement;

and, in the event of such termination of the Executive pursuant to either 4.1.1 or 4.1.2, above, the Company shall pay to the Executive in a lump sum in cash on the "Payment Date" (as defined below) an amount equal to 2.9 times the "Executive's Base Amount" (as defined below), and in the event of such termination of the Executive pursuant to 4.1.3, above, the Company shall pay to the Executive in a lump sum in cash on the Payment Date an amount equal to 2.0 times the Executive's Base Amount, in each case, subject to receipt by the Company of a release executed by the Executive pursuant to and in accordance with Section 4.3 hereof. For the purpose of this Agreement, the "Executive's Base Amount" shall mean the average annual gross compensation (salary and bonus) paid by the Company to the Executive and includible in the Executive's gross income during the period consisting of the most recent five taxable years ending before the Control Date; provided, however, that if the Executive has been employed by the Company for less than such five year period immediately preceding the Control Date, then the "Executive's Base Amount" shall be the average annual gross compensation (salary and bonus) paid by the Company to the Executive and includible in the Executive's gross income during the most recent number of taxable years ending before the Control Date that the Executive was employed by the Company.

4.2 Payment Date. For purposes of Section 4.1 of this Agreement, the "Payment Date" is the Date of Termination.

4.3 Release. The Company's obligation to pay Executive the amounts described in Section 4.1 shall be subject to the Executive executing a release of claims against the Company before the end of the Release Expiration Date (defined below) and provided further that nothing contained in such release shall constitute a release of the Company from any obligations it may have to the Executive (a) under this Agreement or any other written agreement between the Executive and the Company in effect as of the Date of Termination; (b) relating to any employee

benefit plan, stock option plan, stock option agreement or ownership of the Company's stock or debt securities; or (c) relating to any rights of indemnification and/or defense under the Company's certificate of incorporation, bylaws, or coverage under officers and directors insurance. The Company will deliver such release to Executive pursuant to and in accordance with this Section 4.3 within ten (10) business days following the date on which such termination of employment constitutes a separation of service under the terms of this Agreement, and the Company's failure to deliver such release prior to the expiration of such ten (10) business day period shall constitute a waiver of any requirement to execute such release. Assuming timely delivery of the release by the Company, if the release is pursuant to and in accordance with this Section 4.3, and Executive fails to execute such release on or prior to the Release Expiration Date, Executive will not be entitled to any severance payments or benefits otherwise subject to the release condition. In any case where the date of the separation from service and the Release Expiration Date fall in two separate taxable years, any payments required to be made to Executive that are subject to the release condition and are treated as nonqualified deferred compensation for purposes of Section 409A shall be made in the later taxable year. The term "***Release Expiration Date***" shall mean the date that is twenty-one (21) days following the date upon which the Company timely delivers to Executive the release contemplated above, or in the event that Executive's separation from service is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery.

5. Non-Exclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any of its affiliated companies and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any stock option or other agreement with the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan or program.

6. Full Settlement. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement. The Company agrees to pay, to the full extent permitted by law, all legal fees and expenses for one (1) law firm which the Executive may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Company or others of the validity or enforceability of, or liability under, any provision of this Agreement. In order to comply with Section 409A of the Code, in no event shall the payments by the Company under this Section 6 be made later than the end of the calendar year next following the calendar year in which such fees and expenses were incurred, *provided*, that the Executive shall have submitted an invoice for such fees and expenses at least 10 days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred. The

amount of such legal fees and expenses that the Company is obligated to pay in any given calendar year shall not affect the legal fees and expenses that the Company is obligated to pay in any other calendar year, and the Executive's right to have the Company pay such legal fees and expenses may not be liquidated or exchanged for any other benefit.

7. Confidential Information.

7.1 The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies and which shall not be public knowledge (other than by acts by the Executive or his representatives in violation of this Agreement). After termination of the Executive's employment with the Company, the Executive shall not, without the prior written consent of the Company, communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it. In no event shall an asserted violation of the provisions of this Section 7 constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement.

7.2 The Executive agrees that the remedy at law for any breach or threatened breach of any covenant contained in this Section 7 will be inadequate, and that the Company, in addition to such other remedies as may be available to it, in law or in equity, shall be entitled to injunctive relief without bond or other security.

8. Successors.

8.1 This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive and the Executive's legal representatives.

8.2 This Agreement shall inure to the benefit of and be binding upon the Company and its successors.

8.3 In the event of a Change of Control of the Company, any parent company or successor shall, in the case of a successor, by an agreement in form and substance satisfactory to the Executive, expressly assume and agree to perform this Agreement and, in the case of a parent company, by an agreement in form and substance satisfactory to the Executive, guarantee and agree to cause the performance of this Agreement, in each case, in the same manner and to the same extent as the Company would be required to perform if no Change of Control had taken place.

9. Miscellaneous.

9.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

9.2 All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

Tony M. Shelby
1516 Two Bridge Dr
Oklahoma City, OK 73133

If to the Company:

LSB Industries, Inc.
16 South Pennsylvania
Post Office Box 754
Oklahoma City, Oklahoma 73101
Attn: President

with a copy to:

LSB Industries, Inc.
16 South Pennsylvania
Post Office Box 754
Oklahoma City, Oklahoma 73101
Attn: General Counsel

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

9.3 The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

9.4 The Company may withhold from any amounts payable under this Agreement such Federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

9.5 This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes any and all prior or contemporaneous

oral and prior written agreements and understandings. There are no oral promises, conditions, representations, understandings, interpretations or terms of any kind as conditions or inducements to the executive hereof or in effect among the parties. This Agreement may not be amended, and no provision hereof shall be waived, except by a writing signed by all the parties to this Agreement, or, in the case of a waiver, by the party waiving compliance therewith, which states that it is intended to amend or waive a provision of this Agreement. Any waiver of any rights or failure to act in a specific instance shall relate only to such instance and shall not be construed as an agreement to waive any rights or failure to act in any other instance, whether or not similar.

9.6 Should any provision of this Agreement be unenforceable or prohibited by an applicable law, this Agreement shall be considered divisible as to such provision which shall be inoperative, and the remainder of this Agreement shall be valid and binding as though such provision were not included herein.

9.7 This Agreement may be executed in two or more counterparts with the same effect as if the signatures to all such counterparts were upon the same instrument, and all such counterparts shall constitute but one instrument.

9.8 Upon execution of this Agreement, the parties hereto agree that the Original Severance Agreement is no longer in effect and is null and void in all respects.

9.9 All headings in this Agreement are for convenience only and are not intended to affect the meaning of any provision hereof.

10. Section 409A and Section 280G of the Internal Revenue Code.

10.1 6-Month Delay. If any amounts that become due under this Agreement constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated thereunder (“Section 409A”), payment of such amounts shall not commence until the Executive incurs a “separation from service.” Notwithstanding anything herein to the contrary, if the Executive is a “specified employee,” for purposes of Section 409A of the Code, on the date on which he incurs a separation from service, any payment hereunder that provides for the “deferral of compensation” within the meaning of Section 409A of the Code shall not be paid prior to the first business day after the date that is six months following the Executive’s “separation from service;” provided, however, that a payment delayed pursuant to the preceding clause shall commence earlier in the event of the Executive’s death prior to the end of the six-month period. Within 10 business days after the end of such six months, the Executive shall be paid a lump sum payment in cash equal to any payments delayed because of the preceding sentence. Thereafter, the Executive shall receive any remaining benefits as if there had not been an earlier delay.

10.2 Certain Definitions. For purposes of this Agreement, the term "separation from service" shall have the meaning set forth in Section 409A(a)(2)(i)(A) of the Code and determined in accordance with the default rules under Section 409A. The term "specified employee" shall have the meaning set forth in Section 409A(a)(2)(B)(1) of the Code, as determined in accordance with the uniform methodology and procedures adopted by the Employer and then in effect.

10.3 Dodd-Frank Requirement. Notwithstanding any provision of this Agreement to the contrary, Executive acknowledges that any incentive-based compensation paid to Executive pursuant hereto may be subject to recovery by the Company under any clawback policy which is adopted, as required under Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations of the United States Securities and Exchange Commission thereunder or the requirements of any national securities exchange on which the Company's common stock may be traded.

10.4 Intent. The provisions of this Agreement are intended to satisfy the applicable requirements of Section 409A of the Code with respect to amounts subject thereto and shall be performed, interpreted and construed consistent with such intent. If any provision of this Agreement does not satisfy such requirements or could otherwise cause the Executive to recognize income under Section 409A of the Code, the Executive and the Company agree to negotiate in good faith an appropriate modification to maintain, to the maximum extent practicable, the original intent of the applicable provision without violating the requirements of Section 409A of the Code or otherwise causing the recognition of income thereunder."

10.5 280G Parachute Payments. In the event that any payments or benefits (whether made or provided pursuant to this Agreement or otherwise) provided to Executive constitute "parachute payments"' within the meaning of Section 280G of the Code ("***Parachute Payments***"), and will be subject to an excise tax imposed pursuant to Section 4999 of the Code, the Executive's Parachute Payments will be reduced to an amount determined by the Company in good faith to be the maximum amount that may be provided to the Executive without resulting in any portion of such Parachute Payments being subject to such excise tax (the amount of such reduction, "***Cutback Benefits***"). The Parachute Payment reduction contemplated by the preceding sentence, if applicable, shall be implemented by determining the "Parachute Payment Ratio" (as defined below) for each Parachute Payment and then reducing the Parachute Payment in order beginning with the Parachute Payment with the highest Parachute Payment Ratio. For Parachute Payments with the same Parachute Payment Ratio, such Parachute Payments shall be reduced based on the time of payment of such Parachute Payments, with amounts having later payment dates being reduced first. For Parachute Payments with the same Parachute Payment Ratio and the same time of payment, such Parachute Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Parachute Payments with a lower Parachute Payment Ratio. For purposes hereof, the term "***Parachute Payment Ratio***" shall mean a fraction the

numerator of which is the value of the applicable Parachute Payment for purposes of Section 280G of the Code and the denominator of which is the intrinsic value of such Parachute Payment.

IN WITNESS WHEREOF, the Executive has hereunto set his hand and, pursuant to the authorization from its Board of Directors, the Company has caused these presents to be executed in its name on its behalf, all as of the day and year first above written.

"EXECUTIVE"

/s/ Tony M. Shelby
TONY M. SHELBY

"COMPANY"

LSB INDUSTRIES, INC.

By: /s/ Barry Golsen
Barry Golsen, Chief Executive Officer

Exhibit 99.7

2015 AMENDMENT
TO
SEVERANCE AGREEMENT

This 2015 AMENDMENT TO SEVERANCE AGREEMENT (the "Amendment") is entered into this 27th day of April, 2015, by and between LSB INDUSTRIES, INC., a Delaware corporation (the "Company"), and JACK E. GOLSEN, an individual (the "Executive"), and amends that certain Severance Agreement, dated January 17, 1989, as amended (the "Agreement").

WHEREAS, the Company and the Executive desire to amend Subsection 2.2(a) of the Agreement.

NOW, THEREFORE, the Company and the Executive hereby agree to amend the Agreement as follows:

1. Amendment to Subsection 2.2(a). Subsection 2.2(a) of the Agreement is hereby amended in its entirety to read as follows:

"(a) individuals who, as of April 1, 2015, constitute the Board of Directors of the Company (the "Board" generally and as of the date hereof the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any person becoming a director subsequent to April 1, 2015, whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, or other actual or threatened solicitation of proxies by or on behalf of individual, entity or group other than the Board) shall be deemed to be, for purposes of this Agreement, a member of the Incumbent Board; or"

2. Amendment to Section 10. Section 10 of the Agreement is hereby amended by adding at the end thereof a new Subsection 10.6 which reads as follows:

"10.6 280G Parachute Payments. In the event that any payments or benefits (whether made or provided pursuant to this Agreement or otherwise) provided to Executive constitute "parachute payments"' within the meaning of Section 280G of the Code ("***Parachute Payments***"), and will be subject to an excise tax imposed pursuant to Section 4999 of the Code, the Executive's Parachute Payments will be reduced to an amount determined by the Company in good faith to be the maximum amount that may be provided to the Executive without resulting in any portion of such Parachute Payments being subject to such excise tax (the amount of such reduction, "***Cutback Benefits***"). The Parachute Payment reduction contemplated by the preceding sentence, if applicable, shall be

implemented by determining the "Parachute Payment Ratio" (as defined below) for each Parachute Payment and then reducing the Parachute Payment in order beginning with the Parachute Payment with the highest Parachute Payment Ratio. For Parachute Payments with the same Parachute Payment Ratio, such Parachute Payments shall be reduced based on the time of payment of such Parachute Payments, with amounts having later payment dates being reduced first. For Parachute Payments with the same Parachute Payment Ratio and the same time of payment, such Parachute Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Parachute Payments with a lower Parachute Payment Ratio. For purposes hereof, the term "***Parachute Payment Ratio***" shall mean a fraction the numerator of which is the value of the applicable Parachute Payment for purposes of Section 280G of the Code and the denominator of which is the intrinsic value of such Parachute Payment."

3. Continuing Effect. The Agreement is amended and modified only to the extent specifically amended or modified by this Amendment and none of the other terms or provisions of the Agreement are amended or modified by this Amendment. The Agreement, as amended and modified by this Amendment, shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement is executed effective as of the 27th day of April, 2015.

LSB INDUSTRIES, INC.

By: /s/ Tony M. Shelby
Tony M. Shelby, Executive Vice President

(the "Company")

/s/ Jack E. Golsen
JACK E. GOLSEN, an individual

(the "Executive")