

STEWART & STEVENSON SERVICES INC

Form 4

May 31, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
LUKENS MAX L

2. Issuer Name **and** Ticker or Trading
Symbol
STEWART & STEVENSON
SERVICES INC [SVC]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

P.O. BOX 1637

(Street)

HOUSTON, TX 77251-1637

(City) (State) (Zip)

3. Date of Earliest Transaction
(Month/Day/Year)
05/25/2006

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

President and CEO

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock	05/25/2006		D	31,266	D		
				(A) or (D)	Price \$ 36.5 (1)		

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

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form
displays a currently valid OMB control
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SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and A Underlying S (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Non-Qualified Stock Option (right to buy)	\$ 20	05/25/2006		D	3,000	12/12/2001 ⁽³⁾	12/12/2010	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 33.9	05/25/2006		D	3,000	06/12/2002 ⁽³⁾	06/12/2011	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 17.05	05/25/2006		D	5,000	06/11/2003 ⁽³⁾	06/11/2012	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 13.4	05/25/2006		D	100,000	12/10/2003 ⁽³⁾	12/10/2012	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 14.35	05/25/2006		D	5,000	06/10/2004 ⁽³⁾	06/10/2013	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 17	05/25/2006		D	160,000	09/15/2004 ⁽³⁾	09/15/2013	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 14.62	05/25/2006		D	200,000	03/31/2005 ⁽⁴⁾	03/31/2014	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 19.05	05/25/2006		D	100,000	01/03/2006 ⁽³⁾	01/03/2015	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 25.67	05/25/2006		D	5,000	02/01/2007 ⁽³⁾	02/01/2016	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LUKENS MAX L P.O. BOX 1637 HOUSTON, TX 77251-1637	X		President and CEO	

Signatures

/s/ Max L.
Lukens

05/31/2006

__Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Disposed of pursuant to Agreement and Plan of Merger (the "Merger Agreement") dated as of February 27, 2006, as amended, by and
(1) among Stewart & Stevenson Services, Inc., Armor Holdings, Inc. and Santana Acquisition Corp., in exchange for \$36.50 for each share of common stock of the issuer held by the reporting person.

Cancelled pursuant to the Merger Agreement in exchange for a cash payment equal to the product of the number of shares of common
(2) stock subject to the option multiplied by the excess, if any, of \$36.50 over the exercise price per share of common stock under such option.

(3) The stock option becomes exercisable following the first year anniversary of the date of grant

(4) The stock option becomes exercisable in two equal annual installments commencing Marcy 31, 2005.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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