#### Edgar Filing: Farley Andrew D - Form 4

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Form 4												
April 12, 200 <b>FORM</b>	4 UNITED	STATES SECONTIES AND EXCHANGE COMMISSION         Washington, D.C. 20549         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         20(h) of the Investment Company Act of 1940									Number:3235-0287Expires:January 31, 2005Estimated average burden hours per response0.5	
Check thi if no long subject to Section 10 Form 4 or Form 5 obligation may conti <i>See</i> Instru 1(b).	er <b>STATEN</b> 6. Filed put									Estimated a burden hou response		
(Print or Type R	Responses)											
			2. Issuer Name <b>and</b> Ticker or Trading Symbol KBR, INC. [KBR]					g	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last) 601 JEFFER 3400	(First) (	Middle) SUITE	3. Date of (Month/D 04/09/20	ay/Year)		insaction			Director X Officer (give below)	10%	• Owner er (specify	
	(Street)		4. If Amer Filed(Mon			e Original			6. Individual or Jo Applicable Line) _X_ Form filed by 0	-	-	
HOUSTON,	TX 77002								Form filed by M Person	More than One Re	porting	
(City)	(State)	(Zip)	Table	e I - Nor	1-De	erivative S	ecurit	ies Acq	uired, Disposed of	f, or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Da (Month/Day/Year	) Execution any	med on Date, if Day/Year)	3. Transa Code (Instr.	8)	4. Securiti n(A) or Dis (D) (Instr. 3, 4 Amount	posed	of	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		
Common Stock	04/09/2007			А		$   \begin{array}{r}     19,189 \\     \underline{(1)} \ \underline{(3)}   \end{array} $	А	\$0	35,144	D		

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 number.

 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. Transactio Code (Instr. 8)	5. Number on f 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 Amour Underlying Securit (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amo or Num of Share
Non-Qualified Stock Option	\$ 12.94	04/09/2007		А	2,423 ( <u>3)</u>	04/09/2007	02/17/2015	Common Stock	2,4
Non-Qualified Stock Option	\$ 8.94	04/09/2007		А	4,016 ( <u>3)</u>	04/09/2007	03/16/2004	Common Stock	4,0
Non-Qualified Stock Option	\$ 12.94	04/09/2007		А	2,423 (2) (3)	02/17/2008	02/17/2015	Common Stock	2,4

# **Reporting Owners**

Reporting Owner Name / Address	Relationships						
I O	Director	10% Owner	Officer	Other			
Farley Andrew D 601 JEFFERSON STREET SUITE 3400 HOUSTON, TX 77002			SVP, Gen Counsel & Secretary				
Signatures							

Andrew D. Farley <u>\*\*Signature of Reporting Person</u> 04/12/2007 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).

All converted restricted stock that was awarded (originally as Halliburton restricted stock) on or after January 1, 2003 vests at a rate of
20% per year over a 5-year vesting period. All other restricted stock that was awarded (originally as Halliburton restricted stock) prior to January 1, 2003, vests at a rate of 10% per year over a 10-year vesting period.

(2) These options vest at a rate of 33 1/3% on the first anniversary, 67% on the second anniversary and 100% on the third anniversary from the original date of grant (as Halliburton options).

On April 9, 2007, following the separation of KBR, Inc. and Halliburton Company, outstanding awards under Halliburton's 1993 Stock and Incentive Plan previously granted to KBR employees and consisting of options to purchase Halliburton common stock and

 (3) and meentive run previously granted to KBR employees and consisting of options to parenase framourion common stock and Halliburton restricted stock were converted into awards under KBR's Transitional Stock Adjustment Plan, consisting of options to purchase KBR common stock and KBR restricted stock.

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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