JEFFERIES GROUP INC /DE/

Form 4

December 06, 2006

FORM 4

Check this box

if no longer

subject to

Form 4 or

obligations

Form 5

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

OMB Number:

OMB APPROVAL

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Section 16.

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * SCHENK JOSEPH A

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

JEFFERIES GROUP INC /DE/

[JEF]

(Check all applicable)

(Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) 12/05/2006

Director 10% Owner Other (specify X_ Officer (give title

Exec. Vice President and CFO

below)

C/O JEFFERIES & COMPANY. INC., 520 MADISON AVE. 12TH FL.

(Street)

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

NEW YORK, NY 10022

(City)	(State)	(Zip) Tab	le I - Non-	Derivative S	Securit	ties Acquir	ed, Disposed of,	or Beneficially	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	ecution Date, if Transaction Disposed of (D) Code (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
~			Code V	Amount	or (D)	Price	(Instr. 3 and 4)	(Instr. 4)	
Common Stock	12/05/2006		M	17,108	A	\$ 12.156	479,197 (1)	D	
Common Stock	12/05/2006		M	1,492	A	\$ 12.156	480,689 (1)	D	
Common Stock	12/05/2006		M	1,692	A	\$ 10.598	482,381 <u>(1)</u>	D	
Common Stock	12/05/2006		M	1,892	A	\$ 9.376	484,273 <u>(1)</u>	D	
	12/05/2006		M	1,712	A		485,985 <u>(1)</u>	D	

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Common Stock					\$ 10.455		
Common Stock	12/05/2006	M	133,332	A	\$ 11.25	619,317 (1)	D
Common Stock	12/05/2006	M	77,600	A	\$ 9.975	696,617 (1)	D
Common Stock	12/05/2006	F	92,126	D	\$ 29.775	604,791 (1)	D

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

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Option - Right to Buy	\$ 12.156	12/05/2006		M	17,108	12/31/2003	12/31/2006	Common Stock	17,108
Option - Right to Buy	\$ 12.156	12/05/2006		M	1,492	12/31/2004	12/31/2007	Common Stock	1,492
Option - Right to Buy	\$ 10.598	12/05/2006		M	1,692	12/31/2004	12/31/2007	Common Stock	1,692
Option - Right to Buy	\$ 9.376	12/05/2006		M	1,892	12/31/2004	12/31/2007	Common Stock	1,892
Option - Right to Buy	\$ 10.455	12/05/2006		M	1,712	12/31/2004	12/31/2007	Common Stock	1,712
Option - Right to Buy	\$ 11.25	12/05/2006		M	133,332	01/01/2005	01/14/2007	Common Stock	133,33

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Option -

Right to \$ 9.975 12/05/2006 M 77,600 01/28/2003 01/28/2008 Common Stock 77,600

Buy

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

SCHENK JOSEPH A C/O JEFFERIES & COMPANY, INC. 520 MADISON AVE. 12TH FL. NEW YORK, NY 10022

Exec. Vice President and CFO

Signatures

/s/ Roland T. Kelly, by power of attorney 12/06/2006

**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).

Does not include 3,682 shares indirectly held by the Reporting Person by the Trustee of the Jefferies Group, Inc. Employees' Stock

Ownership Plan for the benefit of the Reporting Person, and does not include 20,849 shares indirectly held by the Reporting Person by the Trustee under the Jefferies Group, Inc. Profit Sharing Plan for the benefit of the Reporting Person, and does not include 120 shares indirectly held by the Reporting Person as custodian for family accounts.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporting Owners 3