

DEBOER JEFFREY B
Form 4
March 15, 2010

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
DEBOER JEFFREY B

(Last) (First) (Middle)
360 E. JACKSON ST.

(Street)

MEDFORD, OR 97501

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
LITHIA MOTORS INC [LAD]

3. Date of Earliest Transaction
(Month/Day/Year)
03/12/2010

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Senior Vice President, CFO

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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
| | | | Code | V | Amount | (D) | Price |
| Class A Common | 03/12/2010 | | A | | 12,000 | A | \$ 0 |
| Class A Common | | | | | 3,142 | I | |
| | | | | | | | By 401(k) |

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

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(9-02)

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Pr Deri Secur (Instr. 3 and 4) | |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-----------------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Class B Common <u>(1)</u> | \$ 0 | | | | | <u>(1)</u> | <u>(1)</u> | Class A Common | 1,871 |
| Class B Common <u>(1)</u> | \$ 0 | | | | | <u>(1)</u> | <u>(1)</u> | Class A Common | 66,348 |
| Stock Option (2000a) (NQ) (right to buy) | \$ 16.75 | | | | | <u>(3)</u> | 01/06/2010 | Class A Common | 6,750 |
| Stock Option (2002nq) (right to buy) | \$ 15.13 | | | | | 12/26/2007 | 12/26/2012 | Class A Common | 8,000 |
| Stock Option (right to buy) | \$ 29.42 | | | | | 03/11/2009 | 03/11/2010 | Class A Common | 8,001 |
| Stock Option (right to buy) | \$ 27.58 | | | | | 02/09/2010 | 02/09/2011 | Class A Common | 12,000 |
| Stock Option (1999bj) (NQ) (right to buy) | \$ 16.5 | | | | | 01/01/2004 | 01/01/2009 | Class A Common | 4,000 |

| | | | | | |
|----------------------------------------------------------|----------|------------|-----------------------|-------------------|--------|
| Stock Option (2000aj) (NQ) (right to buy) | \$ 16.75 | <u>(4)</u> | 01/06/2010 | Class A Common | 13,250 |
| Stock Option (2000bj) (NQ) (right to buy) | \$ 16.75 | | 01/06/2005 01/06/2010 | Class A Common | 4,000 |
| Stock Option (2001nq) (right to buy) | \$ 19.24 | | 12/26/2006 12/26/2011 | Class A Common | 8,000 |
| Stock Option (right to buy) | \$ 31.67 | | 03/10/2011 03/10/2012 | Class A Common | 14,000 |
| Stock Option (right to buy) | \$ 28.34 | | 03/09/2012 03/09/2013 | Class A Common | 14,000 |
| Stock Option (right to buy) | \$ 9.38 | | 03/10/2012 03/09/2014 | Class A Common | 15,000 |
| Stock Option (right to buy) | \$ 5.37 | <u>(5)</u> | 08/11/2014 | Class A Common | 50,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|-------------------------------------------------------------|---------------|-----------|----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| DEBOER JEFFREY B 360 E. JACKSON ST. MEDFORD, OR 97501 | | | Senior Vice President, CFO | |

Signatures

By: Cliff E. Spencer,
Attorney-in-Fact for

03/15/2010

__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).
- (1) Class B Common converts to Class A Common on a 1:1 ratio at holder's discretion.
- (2) Mr. DeBoer is a member in the DeBoer Insurance, LLC which is a member of Lithia Holding Company, LLC, the owner of all of the Class B Common stock of Lithia Motors.
- (3) Beginning on the 1st anniversary of the grant date, the options vest as to 20% of the total grant on each of the 1st through the 5th anniversaries.
- (4) The options vest as follows: 3,402 on 1/6/01; 3,402 on 1/6/02; 2,447 on 1/6/03; 2,029 on 1/6/04; and 1,970 on 1/6/05.
- (5) These options vest 50% on 2nd anniversary, 25% on 3rd anniversary and 25% on 4th anniversary.

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.