

LEATHER FACTORY INC  
Form 4  
May 10, 2005

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
GREENE SHANNON L

(Last) (First) (Middle)  
3800 FALCON LAKE DRIVE  
(Street)

ARLINGTON, X1 76016

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
LEATHER FACTORY INC [TLF]

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/10/2005

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)  
CHIEF FINANCIAL OFFICER

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
COMMON STOCK PV \$0.0024	05/10/2005		P		136.986	A	\$ 3.65
COMMON STOCK PV \$0.0024					10,288.0235	I	BY ESOP

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

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SEC 1474 (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)	Amount or Number of Shares
QUALIFIED INCENTIVE STOCK OPTION <sup>(1)</sup>	\$ 0.6875					<sup>(2)</sup> 09/25/2007	COMMON STOCK PV \$0.0024	10,000
QUALIFIED INCENTIVE STOCK OPTION <sup>(1)</sup>	\$ 0.9375					<sup>(3)</sup> 09/13/2010	COMMON STOCK PV \$0.0024	50,000
QUALIFIED INCENTIVE STOCK OPTION <sup>(1)</sup>	\$ 1.35					<sup>(4)</sup> 05/24/2011	COMMON STOCK PV \$0.0024	60,000
QUALIFIED INCENTIVE STOCK OPTION <sup>(1)</sup>	\$ 4.24					<sup>(5)</sup> 09/16/2013	COMMON STOCK PV \$0.0024	25,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GREENE SHANNON L 3800 FALCON LAKE DRIVE ARLINGTON, X1 76016	X		CHIEF FINANCIAL OFFICER	

## Signatures

SHANNON L GREENE 05/10/2005

                      
\*\*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) GRANTED PURSUANT TO THE TERMS OF THE 1995 STOCK OPTION PLAN OF THE LEATHER FACTORY, INC. FOR KEY MANAGEMENT EMPLOYEES
- (2) THE OPTIONS BECOME VESTED IN 5 EQUAL ANNUAL INSTALLMENTS COMMENCING 09/25/98.
- (3) THE OPTIONS BECOME VESTED IN 5 EQUAL ANNUAL INSTALLMENTS COMMENCING 09/13/01.
- (4) THE OPTIONS BECOME VESTED IN 5 EQUAL ANNUAL INSTALLMENTS COMMENCING 05/24/02.
- (5) THE OPTIONS BECOME VESTED IN 5 EQUAL ANNUAL INSTALLMENTS COMMENCING 09/16/04.

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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