

Kneller Michael K
Form 4
September 11, 2018

FORM 4

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

OMB APPROVAL

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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 *
Kneller Michael K

2. Issuer Name and Ticker or Trading Symbol
LANDSTAR SYSTEM INC [LSTR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
13410 SUTTON PARK DRIVE
SOUTH

3. Date of Earliest Transaction (Month/Day/Year)
09/07/2018

____ Director
 Officer (give title below)
____ 10% Owner
____ Other (specify below)
VP General Counsel & Secy

(Street)
JACKSONVILLE, FL 32224

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

(City) (State) (Zip)

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: Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	09/07/2018		M		17,708 A \$ 41.8	52,856	D
Common Stock	09/07/2018		M		19,077 A \$ 51.99	71,933	D
Common Stock	09/07/2018		F		23,019 (1) D \$ 122.96	48,914	D

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

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SEC 1474 (9-02)

number.

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. Amount or Number of Shares
Stock Options (Right to Buy)	\$ 41.8	09/07/2018		M	17,708	<u>(2)</u> 02/03/2021	Common Stock	17,708
Stock Options (Right to Buy)	\$ 51.99	09/07/2018		M	19,077	<u>(3)</u> 02/06/2022	Common Stock	19,077

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kneller Michael K 13410 SUTTON PARK DRIVE SOUTH JACKSONVILLE, FL 32224			VP General Counsel & Secy	

Signatures

/s/ James P. Todd, attorney-in-fact 09/11/2018

__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) Represents shares withheld to pay the exercise price and tax withholding obligations.
- (2) Options became exercisable as to 4,250 on each of 02/03/2012, 02/03/2013 and 02/03/2014, 3,100 on 02/03/2015 and 1,858 on 02/03/2016.
- (3) Options became exercisable as to 4,200 on each of 02/06/2013, 02/06/2014, 02/06/2015 and 02/06/2016, and 2,277 on 02/06/2017.

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.