LEE MICHAEL H Form 4

August 29, 2006

FORM 4

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

OMB Number:

3235-0287

0.5

Check this box if no longer

subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005 Estimated average

10% Owner

burden hours per

response...

OMB APPROVAL

Form 5

obligations may continue. See Instruction

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

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person *

LEE MICHAEL H

2. Issuer Name and Ticker or Trading

Symbol

ENGLOBAL CORP [ENG]

4. If Amendment, Date Original

Filed(Month/Day/Year)

(Middle)

(Month/Day/Year)

3. Date of Earliest Transaction

05/25/2006

(Check all applicable)

Pres. & COO, WRC Corp.

5. Relationship of Reporting Person(s) to

Director Other (specify X_ Officer (give title below) below)

ENGLOBAL CORPORATION, 654 N. SAM HOUSTON PKWY, SUITE 400

(Street)

(First)

Stock

6. Individual or Joint/Group Filing(Check

Applicable Line)

Issuer

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

HOUSTON, TX 77060-5914

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Person

2. Transaction Date 2A. Deemed 1. Title of Security (Month/Day/Year) Execution Date, if (Instr. 3) (Month/Day/Year)

3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Ownership Indirect (I) (Instr. 4) (Instr. 4)

or Code V (D) Amount

(A)

(1)

Transaction(s) (Instr. 3 and 4) Price

Common 06/01/2006 05/25/2006 Α 175,000 Α

175,000

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)

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. Transaction Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D)		ate	Amount Underly Securiti	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code V	(Instr. 3, 4, and 5) (A) (D)	Date Exercisable	Expiration Date	Title N	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

LEE MICHAEL H ENGLOBAL CORPORATION 654 N. SAM HOUSTON PKWY, SUITE 400 HOUSTON, TX 77060-5914

Pres. & COO, WRC Corp.

Signatures

/s/ Michael H. Lee by Natalie S. Hairston, Power of Attorney

08/29/2006

**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).

On May 25, 2006, the issuer acquired all of the outstanding capital stock of WRC Corporation pursuant to a Stock Purchase Agreement by and between the issuer and the reporting person. Under the terms of the Stock Purchase Agreement, the consideration paid for the capital stock of WRC Corporation consisted of 175,000 shares of issuer common stock, cash and promissory notes paid or payable to the

(1) reporting person, and the payment of certain debt obligations of WRC Corporation. The Stock Purchase Agreement placed a value on the issuer's common stock of \$8.00 per share. The 175,000 shares of common stock are currently being held in escrow and are subject to forfeiture during the two-year period following the stock purchase to satisfy claims arising as a result of the reporting person's breach of any of its representations and warranties or covenants in the Stock Purchase Agreement.

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.

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