Vance James Michael Form 4 February 10, 2006

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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if no longer subject to Section 16. Form 4 or

Check this box

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

(Print or Type Responses)

1(b).

1. Name and Address of Reporting Person * Vance James Michael

(First)

(Street)

(State)

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

Symbol STEAK & SHAKE CO [SNS]

(Last)

(Middle)

3. Date of Earliest Transaction

(Month/Day/Year)

36 S. PENNSYLVANIA, SUITE 500 02/08/2006

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

(Check all applicable)

below)

VP, IT

(Zip)

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

Applicable Line)

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

6. Individual or Joint/Group Filing(Check

Person

INDIANAPOLIS, IN 46204

(City)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 3. Security (Month/Day/Year) Execution Date, if (Instr. 3)

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

5. Amount of 6. Ownership 7. Nature of Securities Beneficially (D) or Owned Following (Instr. 4) Reported

Form: Direct Indirect (I)

Indirect Beneficial Ownership (Instr. 4)

(A) or

(1)

Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

Common 02/08/2006 Stock

\$0 A 1,500

1,500 D

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

(Month/Day/Year)

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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	2.	3. Transaction Date	3A. Deemed	4.	5. Number	6. Date Exercisable	le and Expiration	7. Title and A	mount
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transactio	nof Derivative	Date		Underlying S	ecuritie
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4	4)
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Acquired				
	Derivative				(A) or				
	Security				Disposed of				
					(D)				
					(Instr. 3, 4,				
					and 5)				
									Amour
									or
						Date Exercisable	Expiration Date	Title	Numbe
							.		of
				Code V	(A) (D)				Shares
0 4	ф 17 47	02/00/2006			2 (00	02/00/2007(2)	02/09/2017(2)	Common	2.60
Option	\$ 17.47	02/08/2006		A	2,600	$02/08/2007\underline{^{(2)}}$	02/08/2016(2)	Stock	2,60

Reporting Owners

Reporting Owner Name / Address	Relationships					
r g	Director	10% Owner	Officer	Other		
Vance James Michael 36 S. PENNSYLVANIA SUITE 500 INDIANAPOLIS, IN 46204			VP, IT			

Signatures

David C. Milne - Attorney o2/10/2006 in fact

**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) These shares were granted under the Company's Capital Appreciation Plan, an employee benefit plan under Section 16(b)(3) which has been approved by the Company's shareholders. There is a three-year restriction on the transfer of these shares.
- (2) These options vest over a five-year period, with 25% vesting on the first anniversary of the date of grant and the remainder vesting on subsequent anniversaries.

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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