UNIVERSAL ELECTRONICS INC
Form 4
November 16, 2015

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 *
Kopaskie Mark S

(Last) (First) (Middle)

201 EAST SANDPOINTE, 8TH FLOOR

(Street)

SANTA ANA, CA 92707-6708

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
UNIVERSAL ELECTRONICS INC [UEIC]

3. Date of Earliest Transaction (Month/Day/Year)
11/13/2015

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) __X__ Other (specify below)
Strategic Advisor to the CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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	11/13/2015		M		950 (1)	A	$ 0	2,005	D	
Common Stock	11/13/2015		F		495 (2)	D	$ 46.675 (3)	1,510	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)

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. Price Derivat Securit (Instr. 5
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted Stock Units	(4)	11/13/2015		M			950	(5)	(5)	Common Stock	950	$ 0

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kopaskie Mark S 201 EAST SANDPOINTE 8TH FLOOR SANTA ANA, CA 92707-6708				Strategic Advisor to the CEO

Signatures

/s/Mark S. Kopaskie, by Richard A. Firehammer, Jr., pursuant to Limited Power of Attorney dated February 25, 2008 (attached)	11/16/2015
**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)	Stock issued pursuant to Restricted Stock Grant approved by the Compensation Committee of the Board of Directors on February 4, 2013 and ratified by the Board of Directors on February 13-14, 2013.
(2)	This transaction represents a withholding of shares to cover taxes applicable to a vesting of RSUs also reported on this Form 4.
(3)	Price determined in accordance with the Restricted Stock Grant Stock approved by the Compensation Committee of the Board of Directors on February 4, 2013 and ratified by the Board of Directors on February 13-14, 2013.
(4)	Each restricted stock unit represents a contingent right to receive one share of UEI common stock.
(5)	These restricted stock units granted on February 13, 2013 vest over a 3 year ratable quarterly vesting period which began on May 13, 2013.

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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SUPPLEMENTAL INFORMATION OF NON-CASH INVESTING AND FINANCING ACTIVITIES

On May 31, 2005 the Company completed the acquisition of the North American and central European CD and DVD manufacturing and distribution operations from Universal Music Group (Universal) (see Note 2).

Depreciation and amortization of intangible assets included in Net Cash Provided By (Used In) Operating Activities:

	Six months ended June 30, 2005	2004
	(In thousands)	
Depreciation included in cost of sales	$1,036	$123
Depreciation included in selling, general and administrative expense	342	171
Depreciation included in research and development expense	643	523
Amortization of intangible asset	566	

See Notes to Condensed Consolidated Financial Statements.

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Glenayre Technologies, Inc. and Subsidiaries

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts in thousands except per share data)
(Unaudited)

1. Business and Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements of Glenayre Technologies, Inc. and Subsidiaries (Glenayre or the Company) have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation for the periods presented have been included. All significant inter-company accounts and transactions have been eliminated in consolidation. Operating results for the three and six months ended June 30, 2005 are not necessarily indicative of the results that may be expected for the year ending December 31, 2005.

The Company s Messaging Business is an established global provider of network-based messaging and communication systems and software that enable applications including voice messaging, multimedia messaging and other enhanced services. The Company s Messaging Business customers are communications service providers (CSPs) around the world, including wireless and fixed network carriers, as well as broadband and cable service providers. The Messaging Business s products enable CSPs to provide their customers with a variety of messaging and enhanced services such as voice mail, video mail, missed call notification, and text and picture messaging.

On May 31, 2005, the Company completed the acquisition of the North American and central European CD and DVD manufacturing and distribution operations from Universal Music Group. The EDC operation manufactures and distributes CD s, DVD s and other multimedia throughout the United States and Europe. The results of EDC are included in the Company s consolidated results since June 1, 2005. See Note 7 for information regarding ownership and voting interest.

2. Acquisition

On May 31, 2005 the Company completed the acquisition of the North American and central European CD and DVD manufacturing and distribution operations from Universal Music Group (Universal) for a purchase price of approximately $122.2 million. The results of operations of the acquired operations have been included in the consolidated financial statements of the Company since the acquisition date. The acquisition was made through Entertainment Distribution Company, LLC (EDC), a newly formed division of Glenayre. The acquisition was a strategic opportunity for the Company to become an industry leader in providing pre-recorded products and distribution services to the entertainment industry. As part of the transaction, EDC entered into 10-year supply agreements with Universal under which it will become the exclusive manufacturer and distributor for Universal s CD and DVD requirements for North America and central Europe (see Note 6).

The North American CD and DVD manufacturing and distribution operations were acquired under an Asset Purchase Agreement. The central European CD and DVD manufacturing and distribution operations were acquired under a Share Purchase Agreement

The acquired assets include Universal s manufacturing and distribution operations in Hanover, Germany, its manufacturing operations in Grover, North Carolina, and its distribution operations in Fishers, Indiana, Reno, Nevada and Wilkes-Barre, Pennsylvania. EDC is leasing all of the facilities with the exception of the manufacturing facility in Grover, North Carolina, which it acquired from Universal.

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(Tabular amounts in thousands except per share data)
(Unaudited)

The purchase price paid at closing was $82.6 million and is subject to post-closing adjustments that are not expected to be material. Of the purchase price paid at closing, $30.5 million was for the U.S. operations, $43.9 million (35.2 million) was for the central European operations, and the balance constituted transaction expenses. Additionally, under the terms of the supply contracts entered into as part of the transaction, EDC is obligated to pay to Universal future scheduled amounts with a net present value totaling approximately $39.6 million. This long-term obligation is scheduled to be paid as follows: approximately $5.6 million is payable on December 15, 2005, approximately $8.0, $13.4, $13.8 and $1.4 million is payable on each of May 31, 2006 through 2009, respectively, and approximately $400,000 is payable on each of December 15, 2006 through 2014, respectively. Approximately 46% of the total obligation is payable in Euros.

EDC was capitalized with a $35 million equity capital contribution from Glenayre. Following the closing, members of EDC management purchased $772,000 of Glenayre s equity interest. In addition, certain profits interests were issued at closing to EDC management, Universal and the Company s financial advisor that will entitle these parties to up to thirty percent of EDC s profits, after Glenayre has received a return of its equity capital contribution and certain internal rate of return hurdles and other conditions have been met.

To fund the balance of the purchase price and provide for working capital needs, EDC obtained a senior secured credit facility with Wachovia Bank, National Association for an aggregate principal amount of $56.5 million consisting of a term facility of $46.5 million repayable over five years, and a revolving credit facility of $10.0 million. Glenayre collateralized $16.5 million of the credit facility by depositing cash in the same amount with the lender on the closing date.

The acquisition was accounted for as a purchase business combination in accordance with SFAS 141, *Business Combinations*. The purchase price is being allocated to the related tangible and identifiable intangible assets acquired and liabilities assumed based on their respective estimated fair values on the acquisition date. Identifiable intangible assets acquired include 10-year manufacturing and distribution services supply agreements between EDC and Universal Music Group (see Note 6). In accordance with SFAS 142, *Goodwill and Other Intangible Assets*, the fair values of the identifiable intangible assets are being amortized over their estimated useful lives in a manner that best reflects the economic benefits derived from such assets. As of June 30, 2005, the purchase price is being allocated to the assets and liabilities based upon their estimated fair value at the date of the acquisition as noted below. Included in the assets purchased was $38.4 million (30.8 million) of cash contributed by the seller. $30.6 million (24.5 million) of the cash contributed was to fund certain net liabilities assumed by EDC as described below, and the remaining $7.8 million (6.2 million) was to meet certain German regulatory requirements. The preliminary allocation was based on real estate appraisals obtained for land and buildings, on net book values for furniture and equipment, and on preliminary calculations of the present value of the cash flows of the supply agreements. These estimated values are subject to change upon the finalization of the valuations. Valuations for the profits interests granted to the investment banker, Universal and certain EDC management, and for management members right to force sell (put) their ownership to EDC, LLC or the Company have not been finalized, and therefore allocations for these items have not yet been assigned.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS Continued
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(in millions)	Estimated Fair Value at Acquisition Date
Cash	&