

JAKKS PACIFIC INC  
Form 4  
January 03, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
FRIEDMAN JACK

(Last) (First) (Middle)  
22619 PACIFIC COAST  
HIGHWAY  
(Street)

MALIBU, CA 90265

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
JAKKS PACIFIC INC [JAKK]

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/01/2008

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)  
Chairman and CEO

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  | Code                           | V   | Amount  |  |                                   |
|                                 |                                      |  |                                |   | (A) or (D)  |  |                                   |
| Common Stock                    | 01/01/2008                           |  | A                              |   | 120,000<br>(1) (2)  | A  |                                   |
|                                 |                                      |  |                                |   | \$ 23.61<br>(3)   |  |                                   |
|                                 |                                      |  |                                |   | 638,897 (4)   | D  |                                   |
|                                 |                                      |  |                                |   | (5)   |  |                                   |

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

Edgar Filing: JAKKS PACIFIC INC - Form 4

| 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 of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|

## Reporting Owners

| Reporting Owner Name / Address                                   | Relationships |           |                  |       |
|--|---------------|-----------|------------------|-------|
|  | Director      | 10% Owner | Officer          | Other |
| FRIEDMAN JACK<br>22619 PACIFIC COAST HIGHWAY<br>MALIBU, CA 90265 | X             |           | Chairman and CEO |       |

## Signatures

/s/ Jack Friedman 01/02/2008

\_\_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).

Such 120,000 shares were issued pursuant to the terms of Holder's Employment Agreement with the Issuer and are further subject to the terms of that certain January 1, 2008 Restricted Stock Award Agreement (the "Agreement") by and between the Holder and the Issuer.

(1) The Agreement provides that the Holder will forfeit his rights to all 120,000 shares unless certain conditions precedent are met prior to January 1, 2009, including the condition that the Issuer's Pre-Tax Income (as defined in the Agreement) for 2008 exceeds \$2,000,000, whereupon the forfeited shares will become authorized but unissued shares of the Issuer's common stock.

The Agreement prohibits the Holder from selling, assigning, transferring, pledging or otherwise encumbering (a) 60,000 of the 120,000 shares prior to January 1, 2009 and (b) the remaining 60,000 shares prior to January 1, 2010; provided, however, that if the Issuer's

(2) Pre-Tax Income for 2008 exceeds \$2,000,000 and the Issuer's Adjusted EPS Growth (as defined in the Agreement) for 2008 increases by certain percentages as set forth in the Agreement, the vesting of some or all of the 60,000 shares that would otherwise vest on January 1, 2010 will be accelerated to the date the Adjusted EPS Growth is determined.

(3) Represents the closing price of the Issuer's common stock on 12/31/07, as reported by Nasdaq.

Includes 175,000 shares with respect to which the Holder has agreed with the Issuer shall be subject to the following restrictions on

(4) resale: none of such shares may be sold prior to June 11, 2009 and not more than 50% (i.e., 87,500) of such shares may be sold prior to June 11, 2010.

(5) Pursuant to the terms of that certain January 1, 2007 Restricted Stock Award Agreement (the "2007 Agreement") by and between the Holder and the Issuer, the Holder is prohibited from selling, assigning, transferring, pledging or otherwise encumbering 60,000 shares prior to January 1, 2009; provided, however, that if the Issuer's Pre-Tax Income for 2007 exceeds \$2,000,000 and the Issuer's Adjusted EPS Growth (as defined in the 2007 Agreement) for 2007 increases by certain percentages as set forth in the 2007 Agreement, the vesting

## Edgar Filing: JAKKS PACIFIC INC - Form 4

of some or all of the 60,000 shares that would otherwise vest on January 1, 2009 will be accelerated to the date the Adjusted EPS Growth is determined.

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.