

Edgar Filing: HAYNE RICHARD A - 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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Prepaid Variable Forward Share Contract (obligation to sell)	$\frac{(1) (2) (3)}{(4)}$	06/16/2009		J ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	280,000	06/19/2009	06/19/2009	Common stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HAYNE RICHARD A 5000 SOUTH BROAD STREET PHILADELPHIA, PA 19112	X	X	President	
Hayne Margaret 5000 S. BROAD STREET PHILADELPHIA, PA 19112			President, Free People	

Signatures

/s/ Richard A. Hayne
06/18/2009

**Signature of Reporting Person
Date

/s/ Margaret Hayne
06/18/2009

**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).

The reporting person is party to a Prepaid Variable Forward Share Transaction (the "Transaction") that was entered into on June 16, 2004 (the "Execution Date") with an unaffiliated third party purchaser ("Buyer"). As adjusted for subsequent splits of the common shares of Urban Outfitters, Inc. ("Urban"), the Transaction specifies a "Forward Floor Price" of \$14.6275 per share, a "Forward Cap Price" of \$18.285 per share, and "Number of Shares" of 2,800,000 common shares of Urban to be settled in 10 equal tranches of 280,000 (the "Reference Amount"). The contract obligated the reporting person to deliver to the Buyer up to the Reference Amount of common shares of Urban or, at the reporting person's election, an equivalent amount of cash on each of ten settlement dates specified in the contract (each, a "Settlement Date").

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- In exchange for assuming this obligation, the reporting person received a cash payment of \$35,014,000.00 within three exchange days of the Execution Date. The reporting person pledged 700,000 common shares of Urban, which underwent two stock splits to become 2,800,000 shares (the "Pledged Shares"), to secure his obligations under the contract, and retained dividend and voting rights in the Pledged Shares during the term of the pledge. Under the contract, the number of common shares of Urban that the reporting person would deliver to the Buyer on the Settlement Date was determined according to the closing bid price per common share (the "Settlement Price") on each of the ten valuation dates of June 3, 4, 5, 8, 9, 10, 11, 12, 15 and 16, 2009 as follows: (i) if the "Settlement Price" was less than or equal to the Forward Floor Price, the reporting person would deliver to the Buyer a number of common shares equal to the Reference Amount;
- (2) (ii) if the Settlement Price was above the Forward Floor Price but less than or equal to the Forward Cap Price, a number of common shares equal to (a) the Reference Amount multiplied by (b) a fraction, the numerator of which was the Forward Floor Price and the denominator of which was the Settlement Price; or (iii) if the Settlement Price was above the Forward Cap Price, a number of common shares equal to (a) the Reference Amount multiplied by (b) a fraction, the numerator of which was the Forward Floor Price plus the Settlement Price minus the Forward Cap Price, and the denominator of which was the Settlement Price.
- (3) On June 16, 2009, the Settlement Price was \$20.27. Accordingly, the reporting person will transfer to the Buyer 229,477 of the Pledged Shares in the tenth tranche (each tranche consisting of 280,000 common shares of Urban) on June 19, 2009, the Settlement Date. The remaining shares of this tranche will be returned to the reporting person.
- (4) These shares or derivative securities are owned directly by Richard A. Hayne and indirectly by his spouse, Margaret Hayne. Margaret Hayne disclaims beneficial ownership of these shares, except to the extent of any pecuniary interest therein.
- (5)

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.