

LU HONG LIANG
Form 4
March 03, 2009

FORM 4

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

OMB APPROVAL

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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 *
LU HONG LIANG

(Last) (First) (Middle)

1275 HARBOR BAY
PARKWAY, SUITE 100

(Street)

ALAMEDA, CA 94502

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
UTSTARCOM INC [UTSI]

3. Date of Earliest Transaction
(Month/Day/Year)
02/27/2009

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)

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	02/27/2009		M		33,333 A \$ 0	2,964,366 ⁽⁵⁾	D
Common Stock	02/27/2009		M		66,772 A \$ 0	3,031,138	D
Common Stock	02/27/2009		D		150,000 D \$ 0	3,181,138	D
Common Stock	02/27/2009		A		50,000 ⁽⁹⁾ A \$ 0	3,231,138	D
Common Stock	03/02/2009		S		20,085 D \$ 0.93 ⁽¹⁰⁾	3,211,053	D

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Common Stock	03/03/2009	S	39,758	D	\$ <u>0.78</u> (11)	3,171,295	D	
Common Stock						229,000 <u>(6)</u>	I <u>(6)</u>	By Partnership
Common Stock						91,275	I <u>(7)</u>	By Trust
Common Stock						38,725	I <u>(8)</u>	By Trust
Common Stock						5,332	I	By Daughter
Common Stock						5,332	I	By Son

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

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(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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount
Restricted Stock Units	<u>(1)</u>	02/27/2009		A	88,061	<u>(2)</u> <u>(2)</u>	Common Stock 88,0
Restricted Stock Units	<u>(1)</u>	02/27/2009		A	176,121	<u>(3)</u> <u>(3)</u>	Common Stock 176,1
Restricted Stock Units	<u>(1)</u>	02/27/2009		M	33,333	<u>(4)</u> <u>(4)</u>	Common Stock 33,3
Restricted Stock Units	<u>(1)</u>	02/27/2009		M	66,772	<u>(4)</u> <u>(4)</u>	Common Stock 66,7

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LU HONG LIANG 1275 HARBOR BAY PARKWAY SUITE 100 ALAMEDA, CA 94502	X			

Signatures

/s/ Susan Marsch as Attorney-in-Fact on behalf of Hong
Liang Lu

03/03/2009

__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).
- (1) Each restricted stock unit represents a contingent right to receive one share of UTStarcom common stock.
 - (2) The restricted stock units vest in installments beginning: 25% on February 26, 2010; and 25% annually thereafter, subject to Mr Lu's continued service to the Company through each applicable vesting date.
 - (3) The restricted stock units vest as follows: 50% of the shares shall vest on February 26, 2010 and February 28, 2011, subject to Mr. Lu's continued service to the Company through each applicable vesting date.
 - (4) The restricted stock units vested in full on February 27, 2009.
 - (5) Includes 2500 shares acquired on May 17, 2008 and 2500 shares acquired on November 19, 2008 under the UTStarcom, Inc. employee stock purchase plan.
 - (6) Shares registered in the name of the Lu Family Limited Partnership of which the reporting person is a general partner.
 - (7) Shares registered in the name of the Lu Charitable Remainder Trust of which the reporting person is trustee.
Shares registered in the name of the Lu Family Trust of which the reporting person is trustee and of which the reporting person and his spouse are beneficiaries. The reporting person disclaims beneficial ownership except to the extent of his and his spouse's pecuniary interest therein.
 - (9) The restricted stock vests as to 25,000 shares on each of February 27, 2009 and February 26, 2010.
The 20,085 shares were sold through separate trades, with the sale prices ranging from \$0.860 to \$1.00, and at a weighted average sale price of \$0.9292. The reporting person undertakes to provide upon request by the staff of the Securities and Exchange Commission, the issuer or a security holder of the issuer, full information regarding the number of shares sold at each separate purchase price.
The 39,758 shares were sold through separate trades, with the sale prices ranging from \$0.750 to \$0.862, and at a weighted average sale price of \$0.7773. The reporting person undertakes to provide upon request by the staff of the Securities and Exchange Commission, the issuer or a security holder of the issuer, full information regarding the number of shares sold at each separate purchase price.
 - (11)

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.