

ENTROPIC COMMUNICATIONS INC
Form 10-K/A
March 05, 2012

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

Form 10-K/A

Amendment No. 1

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____ .

Commission file number: 001-33844

Entropic Communications, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Edgar Filing: ENTROPIC COMMUNICATIONS INC - Form 10-K/A

Delaware
(State or Other Jurisdiction of

33-0947630
(I.R.S. Employer

Incorporation or Organization)

Identification No.)

6290 Sequence Drive

San Diego, CA 92121

(Address of Principal Executive Offices, Including Zip Code)

Registrant's telephone number, including area code: (858) 768-3600

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class | Name of Each Exchange on Which Registered |
|--|---|
| Common Stock, par value \$0.001 per share | The NASDAQ Stock Market |
| Securities registered pursuant to Section 12(g) of the Act: None | |

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller

Smaller reporting company

reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

Edgar Filing: ENTROPIC COMMUNICATIONS INC - Form 10-K/A

As of June 30, 2011, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was \$727.2 million based on the closing price of the registrant's common stock on The NASDAQ Global Market of \$8.89 per share on June 30, 2011.

There were 87,213,770 shares of the registrant's common stock issued and outstanding as of January 31, 2012.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Annual Report on Form 10-K incorporates by reference certain information from the registrant's definitive proxy statement for the registrant's 2012 Annual Meeting of Stockholders to be filed within 120 days after the end of the registrant's fiscal year ended December 31, 2011.

Explanatory Note

Entropic Communications, Inc. (the Company) is filing this Amendment No.1 on Form 10-K/A (this Amendment) to amend its Annual Report on Form 10-K for the fiscal year ended December 31, 2011 (the Form 10-K), as filed with the Securities and Exchange Commission on February 3, 2012. This Amendment is being filed solely to furnish Exhibit 101 to the Form 10-K as required by Rule 405 of Regulation S-T. Exhibit 101 to this Amendment furnishes the following items in eXtensible Business Reporting Language: (i) Audited Consolidated Balance Sheets at December 31, 2011 and December 31, 2010; (ii) Audited Consolidated Statements of Operations for the years ended December 31, 2011, 2010 and 2009; (iii) Audited Statements of Cash Flows for the years ended December 31, 2011, 2010 and 2009; and (iv) Notes to the Audited Consolidated Financial Statements. No changes have been made to the Form 10-K other than the furnishing of Exhibit 101 as described above. This Amendment does not reflect subsequent events occurring after the original filing date of the Form 10-K or modify or update in any way the disclosures made in the Form 10-K.

Part IV

Item 15. Exhibits, Financial Statement Schedules

15(a)(3). Exhibits.

Exhibit

| Number | Description of Document |
|---------------|--|
| 2.1(13) | Asset Purchase Agreement dated January 18, 2012 by and between the Registrant and Trident Microsystems, Inc. and certain of its subsidiaries. |
| 3.1(1) | Amended and Restated Certificate of Incorporation of the Registrant. |
| 3.2(2) | Amended and Restated Bylaws of the Registrant. |
| 4.1 | Reference is made to Exhibits 3.1 and 3.2. |
| 4.2(3) | Form of Common Stock Certificate of the Registrant. |
| 10.1+(4) | 2007 Equity Incentive Plan and Form of Option Agreement, Form of Option Grant Notice thereunder and Notice of Exercise. |
| 10.2+(5) | 2007 Non-Employee Directors Stock Option Plan and Form of Option Agreement, Forms of Grant Notice and Notice of Exercise thereunder. |
| 10.3+(4) | 2007 Employee Stock Purchase Plan and Form of Offering Document thereunder. |
| 10.4+(3) | 2001 Equity Incentive Plan and Form of Stock Option Agreement, Form of Notice Grant of Stock Option and Form of Stock Option Exercise Notice thereunder. |
| 10.5+(3) | RF Magic, Inc. 2000 Incentive Stock Plan and Form of Stock Option Agreement and Form of Stock Option Grant Notice thereunder. |
| 10.6+(6) | Entropic Communications, Inc. Management Bonus Plan. |
| 10.7+(3) | Form of Indemnity Agreement by and between the Registrant and each of its directors and executive officers. |
| 10.8+(3) | Form of Employee Innovations and Proprietary Rights Assignment Agreement by and between the Registrant and each of its executive officers. |
| 10.9+(7) | Employment Offer Letter dated April 18, 2007 by and between the Registrant and Lance Bridges. |
| 10.10+(8) | Retention Bonus Agreement dated March 31, 2009 by and between the Registrant and Lance Bridges. |
| 10.11+(9) | Amended and Restated Change of Control Agreement dated December 7, 2009 by and between the Registrant and Lance Bridges. |
| 10.12+(9) | Amended and Restated Executive Employment Agreement dated December 7, 2009 by and between the Registrant and Patrick Henry. |
| 10.13+(10) | Employment Offer Letter dated June 15, 2007 by and between the Registrant and David Lyle. |

- 10.14+(8) Retention Bonus Agreement dated March 31, 2009 by and between the Registrant and David Lyle.
- 10.15+(9) Amended and Restated Change of Control Agreement dated December 7, 2009 by and between the Registrant and David Lyle.
- 10.16+(3) Director Offer Letter dated March 25, 2007 by and between the Registrant and Kenneth Merchant.
- 10.17+(3) Director Offer Letter dated November 23, 2004 by and between the Registrant and Umesh Padval.
- 10.19+(11) Director Offer Letter dated August 29, 2010 by and between Registrant and Dr. Ted Tewksbury.
- 10.20+(11) Director Offer Letter dated September 1, 2010 by and between Registrant and Robert Bailey.
- 10.21+(6) Amended and Restated Employment Offer Letter and Relocation Agreement dated March 31, 2010 by and between the Registrant and Tom Lookabaugh.
- 10.22+(6) Amended and Restated Change of Control Agreement dated December 3, 2009 by and between the Registrant and Tom Lookabaugh.
- 10.23+(6) Amended and Restated Employment Offer Letter and Relocation Agreement dated March 31, 2010 by and between the Registrant and Vinay Gokhale.
- 10.24+(6) Amended and Restated Change of Control Agreement dated December 15, 2009 by and between the Registrant and Vinay Gokhale.
- 10.25+(12) Amended and Restated Offer Letter and Relocation Agreement dated May 19, 2011 by and between the Registrant and Michael Farese.
- 10.26+(12) Amended and Restated Relocation Agreement dated May 19, 2011 by and between the Registrant and Michael Farese.
- 10.27+(5) Change of Control Agreement dated June 1, 2010 by and between the Registrant and Michael Farese.
- 10.28(3) Office Lease dated August 31, 2007 by and between the Registrant and Kilroy Realty, L.P.
- 10.29(3) Promoter Member Agreement dated November 20, 2003, as amended, by and between the Registrant and Multimedia over Coax Alliance.
- 10.30#(3) Corporate Supply Agreement dated March 2, 2006 by and between the Registrant and Motorola Mobility, Inc. (formerly Motorola, Inc.
- 10.31#(3) Development and License Agreement dated September 15, 2002 by and between RF Magic, Inc. and STMicroelectronics N.V.
- 10.32+(12) Entropic Communications, Inc. Nonqualified Deferred Compensation Plan.
- 10.33+(12) Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Agreement-Recipients Not Eligible to Participate Under the Nonqualified Deferred Compensation Plan.
- 10.34+(12) Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Agreement-Recipients Eligible to Participate Under the Nonqualified Deferred Compensation Plan.

| | |
|---------|---|
| 21.1* | Subsidiaries of the Registrant. |
| 23.1* | Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm. |
| 24.1* | Power of Attorney. |
| 31.1 | Certification of the Chief Executive Officer, as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of the Chief Financial Officer, as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32 | Certifications of the Chief Executive Officer and Chief Financial Officer, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS | XBRL Instance Document. |
| 101.SCH | XBRL Taxonomy Extension Schema Document. |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document. |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document. |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document. |

+ Indicates management contract or compensatory plan.

Confidential treatment has been granted with respect to certain portions of this exhibit. Omitted portions have been filed separately with the SEC.

* Incorporated herein by reference to the comparable exhibit filed with the Registrant's Annual Report on Form 10-K filed with the SEC on February 3, 2012.

(1) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on December 13, 2007.

(2) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on December 5, 2008.

(3) Incorporated herein by reference to the Registrant's Registration Statement on Form S-1 (No. 333-144899), as amended, filed with the SEC.

(4) Incorporated herein by reference to the Registrant's Annual Report on Form 10-K filed with the SEC on March 3, 2008.

(5) Incorporated herein by reference to the Registrant's Annual Report on Form 10-K filed with the SEC on February 3, 2011.

(6) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on April 14, 2010.

(7) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on April 8, 2008.

Edgar Filing: ENTROPIC COMMUNICATIONS INC - Form 10-K/A

- (8) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on April 6, 2009.
- (9) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on December 7, 2009.
- (10) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on June 17, 2009.
- (11) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on September 7, 2010.
- (12) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on May 24, 2011.
- (13) Incorporated herein by reference to the Registrant's Current Report on Form 8-K filed with the SEC on January 20, 2012.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ENTROPIC COMMUNICATIONS, INC.

By: **/s/ PATRICK HENRY**
Patrick Henry

President and Chief Executive Officer

Date: March 2, 2012