

Edgar Filing: ARRIS GROUP INC - Form 4

ARRIS GROUP INC
Form 4
March 13, 2003

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| | Check this
box if no longer
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

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*			2. Issuer Name and Ticker or Trading Symbol			6. Rel Per (Che		
Nortel Networks Corporation			ARRIS Group, Inc. (ARRS)					
(Last)	(First)	(Middle)	3. I.R.S. Identification Number of Reporting Person, if an entity (Voluntary)			4. Statement for Month/Day/Year		
8200 Dixie Road, Suite 100						3/11/03		
(Street)								
Brampton, Ontario, Canada L6T 5P6						5. If Amend-ment, Date of Original (Month/Day/Year)		
(City)	(State)	(zip)				7. Ind (Ch X		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficial

1. Title of Security (Instr. 3)	2. Trans- action Date (Month/Day/Year)	2A. Deemed Execut- ion Date, if any (Month/Day/Year)	3. Trans- action 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 (Instr. 3 and 4)
			Code	V	Amount	(A) or (D)	Price

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly by the reporting person.
 * If the form is filed by more than one reporting person, see Instruction 4(b)(v).

POTENTIAL PERSONS WHO ARE TO RESPOND TO THE COLLECTION OF INFORMATION CONTAINED IN THIS FORM ARE IDENTIFIED IN THE FORM DISPLAYS A CURRENTLY VALID OMB CONTROL NUMBER.

FORM 4 (continued)

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., 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 or Disposed of (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)
Call option to the Issuer (obligation to sell)	\$4.00 (1) (2)	3/11/03		S	1 (3)	(4) (5)	Common Stock	8,000 (6)
Call option to the Issuer (obligation to sell)	\$3.50 (1) (8)	3/11/03		S	1 (3)	(4) (5)	Common Stock	8,000 (6)

Explanation of Responses:

(1) The exercise price per share shall be equal to 90% of either: (i) in the event that the exerc

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days of the closing of the private placement of convertible subordinated notes due 2008 current (the "Note Offering"), the closing price on the Nasdaq National Market System for the Issuer's Offering is priced; and (ii) otherwise, the five trading day weighted average price of the Issuer's stock preceding the date of exercise.

- (2) Notwithstanding the formula in note (1), the exercise price shall not be less than \$4.00 per share.
- (3) The Issuer may exercise the options, if at all, on no more than four occasions in the aggregate for each exercise.
- (4) The exercise period commences only if: (i) the Note Offering closes by March 31, 2003; (ii) the Issuer's membership interest in Arris Interactive L.L.C.; (iii) Arris Interactive L.L.C.'s commercial release agreement with Nortel Networks Inc.; and (iv) the Issuer has obtained all necessary approvals.
- (5) The option will terminate upon the earliest of (i) March 31, 2003, in the event the Note Offering closes; (ii) June 30, 2003; and (iii) at Nortel Networks Inc.'s election, on the occurrence of a change of control in the Issuer's business or the commencement of a third-party tender offer for the Issuer's Common Stock.
- (6) Consideration for the options is equal to an aggregate of \$1.00.
- (7) Nortel Networks Inc. is the successor in interest to Nortel Networks LLC, which was merged with Arris Interactive L.L.C. on December 31, 2002.
- (8) Notwithstanding the formula in note (1), the exercise price shall not be less than \$3.50 per share.

**Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a). NORTEL NETWORKS INC.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

/s/ Douglas Beatt

**Signature of Re

/s/ Gordon Davies

**Signature of Re

POTENTIAL PERSONS WHO ARE TO RESPOND TO THE COLLECTION OF INFORMATION CONTAINED IN THIS FORM MUST SIGN THIS FORM UNLESS THE FORM DISPLAYS A CURRENTLY VALID OMB CONTROL NUMBER.