

LAUDER RONALD S  
Form 4  
February 08, 2018

**FORM 4**

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

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

**OMB APPROVAL**

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
LAUDER RONALD S

(Last) (First) (Middle)

C/O THE ESTEE LAUDER  
COMPANIES INC, 767 FIFTH  
AVENUE

(Street)

NEW YORK, NY 10153

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
ESTEE LAUDER COMPANIES  
INC [EL]

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/06/2018

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, Clinique Labs, LLC

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)  (A) or (D)	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		Price

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: LAUDER RONALD S - 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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date
Forward sale contract (obligation to sell)	(1) (2) (3) (4)	02/06/2018		J/K(1)(2)(3)(4)			2,000,000	06/04/2018	06/04/2018
Forward sale contract (obligation to sell)	(1) (2) (3) (4)	02/06/2018		J/K(1)(2)(3)(4)		2,000,000		11/20/2018	11/20/2018
Class B Common Stock	(5)							(5)	(5)
Class B Common Stock	(5)							(5)	(5)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LAUDER RONALD S C/O THE ESTEE LAUDER COMPANIES INC 767 FIFTH AVENUE NEW YORK, NY 10153	X	X	Chairman, Clinique Labs, LLC	

## Signatures

Ronald S. Lauder, by /s/ Maureen Sladek,  
Attorney-in-fact

02/08/2018

\_\_\_\_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) On March 2, 2017, the reporting person entered into an amended prepaid variable forward sale contract (the "Prior Contract") with an unaffiliated third party buyer. On February 6, 2018, the reporting person amended the Prior Contract (the "Amended Contract") which extended the maturity date on the outstanding prepaid variable forward contract from June 4, 2018 to November 20, 2018. The contract obligates the reporting person to deliver to the buyer up to 2,000,000 shares of EL Class A Common Stock (or, at the reporting person's

## Edgar Filing: LAUDER RONALD S - Form 4

election, an equivalent amount of cash based on the market price of EL Class A Common Stock at the time) following the maturity date of the contract subject to acceleration.

In exchange for assuming this obligation under the original prepaid variable forward sale contract in June 2011, the reporting person received a cash payment at that time. No payments were made by either party in connection with the Amended Contract. The reporting person has pledged 2,000,000 shares of EL Class B Common Stock (the "Pledged Shares") to secure his obligations under the Amended

- (2) Contract, but retained voting and certain dividend rights in the Pledged Shares during the term of the pledge. Under the Amended Contract, the number of shares of EL Class A Common Stock to be delivered to the buyer at settlement will be based on the following formula, which references a settlement price that will be determined by the arithmetic mean of the closing prices of EL Class A Common Stock on each of the five trading days up to, and including, the maturity date (the "Settlement Price"):

- (3) (A) if the Settlement Price is less than \$135.793 (amended from \$83.2953 under the Prior Contract), the reporting person will deliver 2,000,000 shares; (B) if the Settlement Price is less than \$151.8845 (amended from \$93.4573 under the Prior Contract), but equal to or greater than \$135.793 (amended from \$83.2953 under the Prior Contract), the reporting person will deliver a number of shares equal to 2,000,000 multiplied by a ratio of (i) \$135.793 (amended from \$83.2953 under the Prior Contract) divided by (ii) the Settlement Price;

- (4) and (C) if the Settlement Price is equal to or greater than \$151.8845 (amended from \$93.4573 under the Prior Contract), the reporting person will deliver a number of shares equal to 2,000,000 multiplied by a ratio equal to one minus (i) the difference between \$151.8845 (amended from \$93.4573 under the Prior Contract) and \$135.793 (amended from \$83.2953 under the Prior Contract) divided by (ii) Settlement Price, subject in each case to adjustment upon the occurrence of certain corporate events applicable to the EL Class A Common Stock. The number of shares of EL Class A Common Stock to be delivered and the number of Pledged Shares are also subject to adjustment in such event.

There is no exercise or conversion price for the Class B Common Stock. Shares of Class B Common Stock (i) may be converted immediately on a one-for-one basis by the holder into shares of Class A Common Stock and (ii) are automatically converted into Class A

(5) Common Stock on a one-for-one basis upon transfer to a person or entity that is not a "Permitted Transferee" (as defined in the Issuer's Restated Certificate of Incorporation) or soon after a record date for a meeting of stockholders where the outstanding Class B Common Stock constitutes less than 10% of the outstanding shares of Common Stock of the Issuer.

- (6) Ronald S. Lauder disclaims beneficial ownership of these shares to the extent he does not have a pecuniary interest in such securities.

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.