

Flanders Scott N
Form 4
March 08, 2011

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 *
Flanders Scott N

2. Issuer Name and Ticker or Trading Symbol
PLAYBOY ENTERPRISES INC
[PLA, PLAA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

Director 10% Owner
 Officer (give title below) Other (specify below)

C/O PLAYBOY ENTERPRISES, INC., 680 N. LAKE SHORE DRIVE

03/04/2011

Chief Executive Officer

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

CHICAGO,, IL 60611

(City) (State) (Zip)

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)
Common-Class B	03/04/2011		J	(A) Amount 44,607 (1)	D 112,500	D	
Common-Class B	03/04/2011		D	(D) Amount 112,500 (2)	\$ 0 6.15	D	

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

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(9-02)

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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 Number of Shares
Employee Stock Option (right to buy)	\$ 2.71	03/04/2011		D	1,200,000	(3) 07/01/2019	Common -Class B	1,200,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Flanders Scott N C/O PLAYBOY ENTERPRISES, INC. 680 N. LAKE SHORE DRIVE CHICAGO,, IL 60611	X		Chief Executive Officer	

Signatures

/s/ Scott N.
Flanders

03/08/2011

**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).

- Shares were disposed of pursuant to the rollover agreement dated January 9, 2011 between the reporting person and Icon Acquisition Holdings, L.P. ("Purchaser") in exchange for newly issued limited partnership units of Purchaser, valuing the contributed shares at \$6.15 per share.
- (1) Consists of unvested shares received pursuant to a restricted stock award disposed of pursuant to the agreement and plan of merger between Playboy Enterprises, Inc. ("Issuer"), Purchaser and Icon Merger Sub, Inc. ("Sub"), in exchange for \$6.15 per share.
- (2) In connection with the merger of Sub with and into Issuer, an option to acquire 1,200,000 shares of Class B common stock of Issuer was cancelled and Issuer paid to the reporting person with respect to such option a cash amount equal to the product of (i) the excess of \$6.15 per share over the exercise price of \$2.71 per share of such option multiplied by (ii) the number of shares of stock subject to such option (1,200,000 shares), less any applicable tax withholdings.
- (3)

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

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