## Edgar Filing: DSP GROUP INC /DE/ - Form 4

| Form 4<br>January 26, 2007<br>FORM 4<br>UNITED STATES SECURITIES AND EXCHANGE COMMISSION<br>Washington, D.C. 20549<br>Check this box<br>if no longer<br>subject to<br>Section 16.<br>Form 4 or<br>Form 5<br>Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,<br>obligations<br>Section 17(a) of the Public Utility Holding Company Act of 1935 or Section<br>10(b).<br>(Print or Type Responses)<br>1. Name and Address of Reporting Person 1<br>AYALON ELIYAHU<br>(Last) (First) (Middle) 3. Date of Earliest Transaction<br>(Month/Day/Year)<br>(Last) (First) (Middle) 3. Date of Earliest Transaction<br>(Month/Day/Year)<br>(Last) (First) (Middle) 3. Date of Earliest Transaction<br>(Month/Day/Year)<br>(Street) 4. If Amendment, Date Original<br>Filed(Month/Day/Year)<br>(Street) 4. If Amendment, Date Original<br>Filed(Month/Day/Year)<br>(Check Earliest Company Act of Iong)<br>(Street) 4. If Amendment, Date Original<br>Filed(Month/Day/Year)<br>(Check Earliest Company Act of Iong)<br>(Check Earliest Company |      |  |  |  |
|--|------|--|--|--|
| FORM 4<br>UNITED STATES SECURITIES AND EXCHANGE COMMISSION<br>Washington, D.C. 20549       OMB APPROVAL<br>OMB<br>Number: 3235-026         Check this box<br>if no longer<br>subject to<br>Section 16.       STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF<br>SECURITIES       Statement of changes in beneficial ownership of<br>SECURITIES       Expires: 200         Form 4 or<br>Form 5<br>obligations<br>may continue.<br>See Instruction<br>1(b).       Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,<br>obligations<br>and other Public Utility Holding Company Act of 1935 or Section<br>30(h) of the Investment Company Act of 1935 or Section<br>17(a) of the Public Utility Holding Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1935, or Section<br>30(h) of the Investment Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1935, or Section<br>30(h) of the Investment Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1940       Section 16(a) of the Public Utility Holding Company Act of 1940       Section 16(a) of the Public Utility Holding Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1940       Section 17(a) of the Public Utility Holding Company Act of 1940       Section 16(a) Other Section 10(a) Other Section 10(a) Other Section 16(a) Othe  |      |  |  |  |
| Check this box<br>if no longer<br>subject to<br>Section 16.       STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF<br>Section 16.       OMB<br>Number:<br>3235-026<br>Number:<br>3205-026<br>Expires:       Statement of<br>Subject to<br>Section 16.         Form 4 or<br>Form 5<br>of mom<br>form 5<br>source       STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF<br>Section 16.       OMB<br>Number:<br>Section 16.       Statement of<br>Section 16.         Form 5<br>of mom<br>form 5<br>source       Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,<br>obligations<br>may continue.<br>Section 17(a) of the Public Utility Holding Company Act of 1935 or Section<br>10(b).       Section 17(a) of the Public Utility Holding Company Act of 1935 or Section<br>30(h) of the Investment Company Act of 1940       Section 1940         (Print or Type Responses)       2. Issuer Name and Ticker or Trading<br>Symbol       5. Relationship of Reporting Person(s) to<br>Issuer         (Last)       (First)       (Middle)       3. Date of Earliest Transaction<br>(Month/Day/Year)       (Check all applicable)         (Street)       4. If Amendment, Date Original<br>Filed(Month/Day/Year)       6. Individual or Joint/Group Filing(Check<br>Applicable Line)   |      |  |  |  |
| Check this box<br>if no longer<br>subject to<br>subject to       STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF<br>Section 16.       OMB<br>Number:       3235-026         Form 4 or<br>Form 5       STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF<br>Form 5       Expires:       200         Form 4 or<br>Form 5       Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,<br>obligations<br>may continue.       Section 17(a) of the Public Utility Holding Company Act of 1935 or Section<br>10(b).       Section 17(a) of the Public Utility Holding Company Act of 1940<br>1(b).       Section 17(a) of the Investment Company Act of 1940<br>1(b).       Section 17(a) of the Investment Company Act of 1940<br>1(b).       Section 17(a) of the Investment Company Act of 1940<br>1(b).       Section 17(a) of the Investment Company Act of 1940<br>1(b).       Section 17(a) of the Investment Company Act of 1940<br>1(b).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).       Section 17(a) of the Investment Company Act of 1940<br>1(c).   | L    |  |  |  |
| if no longer<br>subject to<br>Section 16.       STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF<br>SECURITIES       Expires:       Output 20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>2  | 0287 |  |  |  |
| Subject to<br>subject to<br>Section 16.       STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF<br>Section 16.       Extinated average<br>burden hours per<br>response       200<br>Estinated average<br>burden hours per<br>response         Form 4 or<br>Form 5       Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,<br>obligations<br>may continue.<br>Section 17(a) of the Public Utility Holding Company Act of 1935 or Section<br>10(b).       0         (Print or Type Responses)       30(h) of the Investment Company Act of 1940<br>1(b).       5. Relationship of Reporting Person(s) to<br>Issuer         1. Name and Address of Reporting Person<br>AYALON ELIYAHU       2. Issuer Name and Ticker or Trading<br>Symbol       5. Relationship of Reporting Person(s) to<br>Issuer         (Last)       (First)       (Middle)       3. Date of Earliest Transaction<br>(Month/Day/Year)  | •    |  |  |  |
| obligations<br>may continue.<br>See Instruction       Section 17(a) of the Public Utility Holding Company Act of 1935 or Section<br>30(h) of the Investment Company Act of 1940<br>1(b).         (Print or Type Responses)       30(h) of the Investment Company Act of 1940<br>1(b).         1. Name and Address of Reporting Person <sup>*</sup> .<br>AYALON ELIYAHU       2. Issuer Name and Ticker or Trading<br>Symbol       5. Relationship of Reporting Person(s) to<br>Issuer         (Last)       (First)       (Middle)       3. Date of Earliest Transaction<br>(Month/Day/Year)       (Check all applicable)         C/O DSP GROUP, INC., 3120       01/24/2007       —X_ Director<br>VIC/atran of Board and CEO       10% Owner<br>(Street)         (Street)       4. If Amendment, Date Original<br>Filed(Month/Day/Year)       6. Individual or Joint/Group Filing(Check<br>Applicable Line)  | 0.5  |  |  |  |
| may continue.       Section 17(a) of the Fublic Outily Holding Company Act of 1935 of Section 1955 of Section 1955 of Section 1960 (a) of the Investment Company Act of 1940 (b).         (Print or Type Responses)       1. Name and Address of Reporting Person *       2. Issuer Name and Ticker or Trading Symbol DSP GROUP INC /DE/ [DSPG]       5. Relationship of Reporting Person(s) to Issuer         (Last)       (First)       (Middle)       3. Date of Earliest Transaction (Month/Day/Year)       5. Director10% Owner10% Owner  |      |  |  |  |
| See Instruction<br>1(b).       30(h) of the Investment Company Act of 1940         (Print or Type Responses)       .         1. Name and Address of Reporting Person <sup>*</sup><br>AYALON ELIYAHU       2. Issuer Name and Ticker or Trading<br>Symbol       5. Relationship of Reporting Person(s) to<br>Issuer         (Last)       (First)       (Middle)       3. Date of Earliest Transaction       (Check all applicable)         C/O DSP GROUP, INC., 3120<br>SCOTT BLVD       01/24/2007 $\frac{-X_{-}}{2X_{-}}$ Officer (give title $\frac{-10\% Owner}{-2X_{-}}$ Other (specify<br>below)         (Street)       4. If Amendment, Date Original<br>Filed(Month/Day/Year)       6. Individual or Joint/Group Filing(Check<br>Applicable Line)   |      |  |  |  |
| 1. Name and Address of Reporting Person *       2. Issuer Name and Ticker or Trading Symbol       5. Relationship of Reporting Person(s) to Issuer         (Last)       (First)       (Middle)       3. Date of Earliest Transaction       (Check all applicable)         (Last)       (First)       (Middle)       3. Date of Earliest Transaction  |      |  |  |  |
| AYALON ELIYAHU       Symbol       Issuer         Symbol       DSP GROUP INC /DE/ [DSPG]       (Check all applicable)         (Last)       (First)       (Middle)       3. Date of Earliest Transaction       (Check all applicable)         C/O DSP GROUP, INC., 3120       (Month/Day/Year)      X_ Director 10% Owner      X_ Officer (give title 0ther (specify below)         SCOTT BLVD       U1/24/2007      X_ Officer (give title 0ther (specify below)       Chairman of Board and CEO         (Street)       4. If Amendment, Date Original Filed(Month/Day/Year)       6. Individual or Joint/Group Filing(Check         Filed(Month/Day/Year)       Applicable Line)       6. Individual or Joint/Group Filing(Check   |      |  |  |  |
| (Last)       (First)       (Middle)       3. Date of Earliest Transaction       (Check all applicable)         (Last)       (First)       (Middle)       3. Date of Earliest Transaction   |      |  |  |  |
| (Last)       (First)       (Middle)       3. Date of Earliest Transaction         (Last)       (First)       (Month/Day/Year)       _X Director       10% Owner         C/O DSP GROUP, INC., 3120       01/24/2007       _X Officer (give title Other (specify below)       0ther (specify below)         SCOTT BLVD       4. If Amendment, Date Original       6. Individual or Joint/Group Filing(Check         (Street)       4. If Amendment, Date Original       6. Individual or Joint/Group Filing(Check         Filed(Month/Day/Year)       Applicable Line)       6. Individual or Joint/Group Filing(Check   |      |  |  |  |
| C/O DSP GROUP, INC., 3120       (Month/Day/Year)      X Director      10% Owner         SCOTT BLVD       01/24/2007      X Officer (give title Other (specify below)         (Street)       4. If Amendment, Date Original Filed(Month/Day/Year)       6. Individual or Joint/Group Filing(Check Applicable Line)  |      |  |  |  |
| C/O DSP GROUP, INC., 3120       01/24/2007   |      |  |  |  |
| (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check<br>Filed(Month/Day/Year) Applicable Line)  |      |  |  |  |
| Filed(Month/Day/Year) Applicable Line)   |      |  |  |  |
|  |      |  |  |  |
| SANTA CLARA, CA 95054 — Form filed by More than One Reporting Person   |      |  |  |  |
| (City) (State) (Zip) <b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>   | L    |  |  |  |
| 1.Title of<br>Security<br>(Instr. 3)2. Transaction Date<br>(Month/Day/Year)2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year)3.4. Securities<br>TransactionAcquired (A) or<br>Code5. Amount of<br>Securites6. Ownership<br>Form: Direct7. Nature of<br>Indirect(Instr. 3)(Month/Day/Year)(Month/Day/Year)3.4. Securities5. Amount of<br>Securited (A) or<br>Ode5. Amount of<br>Securites6. Ownership<br>Form: Direct7. Nature of<br>Indirect(Instr. 3)(Month/Day/Year)(Month/Day/Year)(Instr. 3, 4 and 5)0. Owned<br>(Instr. 3, 4 and 5)6. Ownership<br>Form: Direct1. Indirect<br>Beneficially<br>Owned(A)<br>or<br>Code V Amount (D)Or<br>Price(A)<br>(Instr. 3 and 4)6. Ownership<br>Following7. Nature of<br>Form: Direct   | 1    |  |  |  |

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.

 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

 (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of | 2.          | 3. Transaction Date | 3A. Deemed         | 4.         | 5. Number of | 6. Date Exercisable and | 7. Title and Amoun  |
|-------------|-------------|---------------------|--------------------|------------|--------------|-------------------------|---------------------|
| Derivative  | Conversion  | (Month/Day/Year)    | Execution Date, if | Transactio | orDerivative | Expiration Date         | Underlying Securiti |
| Security    | or Exercise |                     | any                | Code       | Securities   | (Month/Day/Year)        | (Instr. 3 and 4)    |

## Edgar Filing: DSP GROUP INC /DE/ - Form 4

| (Instr. 3)                     | Price of<br>Derivative<br>Security |            | (Month/Day/Year) | (Instr. | 8) | Acquired (A<br>Disposed of<br>(Instr. 3, 4,<br>5) | f (D) |                     |                    |                 |                             |
|--------------------------------|------------------------------------|------------|------------------|---------|----|---|-------|---------------------|--------------------|-----------------|-----------------------------|
|                                |                                    |            |                  | Code    | v  | (A)   | (D)   | Date<br>Exercisable | Expiration<br>Date | Title           | Amou<br>or<br>Numl<br>of Sh |
| Stock<br>Appreciation<br>Right | \$ 21.7                            | 01/24/2007 |                  | А       |    | 100,000   |       | (1)                 | 01/24/2014         | Common<br>Stock | 50,0                        |

## **Reporting Owners**

| Reporting Owner Name / Address  | Relationships |           |                           |       |  |  |
|---|---------------|-----------|---------------------------|-------|--|--|
| 1   | Director      | 10% Owner | Officer                   | Other |  |  |
| AYALON ELIYAHU<br>C/O DSP GROUP, INC.<br>3120 SCOTT BLVD<br>SANTA CLARA, CA 95054 | Х             |           | Chairman of Board and CEO |       |  |  |
| Signatures  |               |           |                           |       |  |  |

| /s/ Eliyahu<br>Ayalon                      | 01/25/2007 |
|--|------------|
| <u>**</u> Signature of<br>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)  $\frac{25\%}{01/24/2008}$  of this Stock Appreciation Right is immediately exercisable. The remainder will vest in three (3) equal installments beginning on  $\frac{01}{24/2008}$ .

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.