

HAYNE RICHARD A
Form 4
June 15, 2009

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
HAYNE RICHARD A

2. Issuer Name and Ticker or Trading Symbol
URBAN OUTFITTERS INC
[URBN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
5000 SOUTH BROAD STREET
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
06/11/2009

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

PHILADELPHIA, PA 19112

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

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price (1) (2) (3) (4) |
| Common stock | 06/11/2009 | | J(1)(2)(3)(4) | | 231,418 | D | 19,835,227 |

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 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 Underlying Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Prepaid Variable Forward Share Contract (obligation to sell) | $\frac{(1) (2) (3)}{(4)}$ | 06/11/2009 | | J ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ | 280,000 | 06/16/2009 | 06/16/2009 | Common stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| HAYNE RICHARD A 5000 SOUTH BROAD STREET PHILADELPHIA, PA 19112 | X | X | President | |
| Hayne Margaret 5000 S. BROAD STREET PHILADELPHIA, PA 19112 | | | President, Free People | |

Signatures

/s/ Richard A. Hayne 06/15/2009

**Signature of Reporting Person Date

/s/ Margaret Hayne 06/15/2009

**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).

The reporting person is party to a Prepaid Variable Forward Share Transaction (the "Transaction") that was entered into on June 16, 2004 (the "Execution Date") with an unaffiliated third party purchaser ("Buyer"). As adjusted for subsequent splits of the common shares of Urban Outfitters, Inc. ("Urban"), the Transaction specifies a "Forward Floor Price" of \$14.6275 per share, a "Forward Cap Price" of \$18.285 per share, and "Number of Shares" of 2,800,000 common shares of Urban to be settled in 10 equal tranches of 280,000 (the "Reference Amount"). The contract obligated the reporting person to deliver to the Buyer up to the Reference Amount of common shares of Urban or, at the reporting person's election, an equivalent amount of cash on each of ten settlement dates specified in the contract (each, a "Settlement Date").

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- In exchange for assuming this obligation, the reporting person received a cash payment of \$35,014,000.00 within three exchange days of the Execution Date. The reporting person pledged 700,000 common shares of Urban, which underwent two stock splits to become 2,800,000 shares (the "Pledged Shares"), to secure his obligations under the contract, and retained dividend and voting rights in the Pledged Shares during the term of the pledge. Under the contract, the number of common shares of Urban that the reporting person would deliver to the Buyer on the Settlement Date was determined according to the closing bid price per common share (the "Settlement Price") on each of the ten valuation dates of June 3, 4, 5, 8, 9, 10, 11, 12, 15 and 16, 2009 as follows: (i) if the "Settlement Price" was less than or equal to the Forward Floor Price, the reporting person would deliver to the Buyer a number of common shares equal to the Reference Amount;
- (2) (ii) if the Settlement Price was above the Forward Floor Price but less than or equal to the Forward Cap Price, a number of common shares equal to (a) the Reference Amount multiplied by (b) a fraction, the numerator of which was the Forward Floor Price and the denominator of which was the Settlement Price; or (iii) if the Settlement Price was above the Forward Cap Price, a number of common shares equal to (a) the Reference Amount multiplied by (b) a fraction, the numerator of which was the Forward Floor Price plus the Settlement Price minus the Forward Cap Price, and the denominator of which was the Settlement Price.
- (3) On June 11, 2009, the Settlement Price was \$21.08. Accordingly, the reporting person will transfer to the Buyer 231,418 of the Pledged Shares in the seventh tranche (each tranche consisting of 280,000 common shares of Urban) on June 16, 2009, the Settlement Date. The remaining shares of this tranche will be returned to the reporting person.
- (4) These shares or derivative securities are owned directly by Richard A. Hayne and indirectly by his spouse, Margaret Hayne. Margaret Hayne disclaims beneficial ownership of these shares, except to the extent of any pecuniary interest therein.
- (5)

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.