

Marvin Stuart D  
Form 4  
October 16, 2007

**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 \*  
Marvin Stuart D

2. Issuer Name and Ticker or Trading Symbol  
ACCREDITED HOME LENDERS HOLDING CO [LEND]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
10/12/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Executive Vice President

15253 AVENUE OF SCIENCE,  
BLDG. 1

(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

SAN DIEGO, CA 92128

(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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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)**

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount Underlying Security
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Sh
Incentive Stock Option (right to buy)	\$ <u>27.77</u> (1)	10/12/2007	D		5,906		<u>(1)</u>	02/22/2017	Common Stock	5,906
Incentive Stock Option (right to buy)	\$ <u>39.25</u> (1)	10/12/2007	D		10,188		<u>(1)</u>	04/27/2015	Common Stock	10,188
Non-Qualified Stock Option (right to buy)	\$ <u>27.77</u> (1)	10/12/2007	D		74,094		<u>(1)</u>	02/22/2017	Common Stock	74,094
Non-Qualified Stock Option (right to buy)	\$ <u>39.25</u> (1)	10/12/2007	D		69,812		<u>(1)</u>	04/27/2015	Common Stock	69,812
Phantom Stock	<u>(2)</u>	10/12/2007	D		5,402		<u>(2)</u>	<u>(2)</u>	Common Stock	5,402

## Reporting Owners

### Reporting Owner Name / Address

Marvin Stuart D  
15253 AVENUE OF SCIENCE, BLDG. 1  
SAN DIEGO, CA 92128

### Relationships

Director    10% Owner    Officer    Other

Executive Vice President

## Signatures

By: David E. Hertz, Attorney-in-Fact For: Stuart D.  
Marvin

10/16/2007

\*\*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) These options, which became fully vested on October 12, 2007, were cancelled pursuant to the Merger Agreement, dated as of June 4, 2007, as amended, by and among Accredited Home Lenders Holding Co., LSF5 Accredited Merger Co., Inc. and LSF5 Accredited Investments, LLC in exchange for a cash payment equal to the product of (i) the number of shares of common stock underlying the option multiplied by (ii) the amount by which \$11.75 exceeds the price of the option.
- (2) These phantom shares, granted under the Accredited Home Lenders Holding Co. Deferred Compensation Plan, amended and restated effective January 1, 2003, which were unvested as of October 12, 2007, were cancelled, pursuant to the Merger Agreement, in exchange for a cash payment equal to the product of (i) the number of phantom shares multiplied by (ii) \$11.75. Such cash payment will be

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deposited in the trust related to the Deferred Compensation Plan and the vesting and distribution of such cash amounts and any subsequent earnings thereon will be in accordance with the terms of such Deferred Compensation Plan and the related Company Stock-Based Award and the elections of participants therein.

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.