

MARGOLIS LAWRENCE A
Form 4
September 17, 2012

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 *
MARGOLIS LAWRENCE A

(Last) (First) (Middle)
3871 LAKEFIELD DRIVE
(Street)

SUWANEE, GA 30024

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ARRIS GROUP INC [ARRS]

3. Date of Earliest Transaction
(Month/Day/Year)
09/14/2012

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)
EVP/Strategic Pl, Chief Couns.

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) | 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common stock ⁽¹⁾ | 09/14/2012 | | M | 57,000 | A \$ 4.85 | 345,028 | D |
| Common stock ⁽¹⁾ | 09/14/2012 | | S | 57,000 | D \$ 14 | 288,028 | D |
| Restricted stock ⁽²⁾ | | | | | | 11,561 | D |
| Restricted stock ⁽³⁾ | | | | | | 15,110 | D |
| Restricted stock ⁽⁴⁾ | | | | | | 40,294 | D |

| | | |
|-----------------------------|--------|---|
| Restricted stock <u>(5)</u> | 21,127 | D |
| Restricted stock <u>(6)</u> | 56,340 | D |
| Restricted stock <u>(7)</u> | 34,030 | D |
| Restricted stock <u>(8)</u> | 68,060 | D |

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

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(9-02)

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| | | | | Code V (A) (D) | | Date Exercisable Expiration Date | Title | |
| Stock options <u>(9)</u> | \$ 4.85 | 09/14/2012 | | J | 57,000 | <u>(10)</u> 07/01/2013 | Common Stock | 57,000 |
| Stock options <u>(1)</u> | \$ 4.85 | 09/14/2012 | | M | 57,000 | <u>(10)</u> 07/01/2013 | Common Stock | 57,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| MARGOLIS LAWRENCE A 3871 LAKEFIELD DRIVE SUWANEE, GA 30024 | | | EVP/Strategic PI, Chief Couns. | |

Signatures

/s/ Lawrence Margolis
09/17/2012
Date

__Signature of
Reporting Person

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) Stock options were exercised pursuant to an existing Rule 10b5-1 Sales Plan
- (2) Represents a restricted stock grant which vests annually in fourths beginning on March 30, 2010(the "vesting date")and on each successive anniversary of the vesting date.
- (3) Represents a restricted stock grant which vests annually in fourths beginning on March 25, 2011 (the "vesting date") and on each successive anniversary of the vesting dates.
- (4) Represents a restricted stock grant which is in part performance-based. 10,073 shares of the grant are guaranteed and had vested on 3/25/2011. 0 to 40,294 of the grant are subject to the Company's shareholder return as compared to the NASDAQ Composite shareholder return over the three year period ended 12/31/2012 and will vest on 1/31/2013.
- (5) Represents a restricted stock grant which vests annually in fourths beginning on March 31, 2012(the "vesting date") and on each successive anniversary of the vesting dates.
- (6) Represents a restricted stock grant which is performance-based. 0 to 56,340 of the grant are subject to the Company's shareholder return as compared to the NASDAQ Composite shareholder return over the three year period ended 12/31/2013 and will vest on 1/31/2014.
- (7) Represents a restricted stock grant which vests annually in fourths beginning on March 28, 2013(the "vesting date") and on each successive anniversary of the vesting dates.
- (8) Represents a restricted stock grant which is performance-based. 0 to 68,060 of the grant are subject to the Company's shareholder return as compared to the NASDAQ Composite shareholder return over the three year period ended 12/31/2014 and will vest on 1/31/2015.
- (9) This is to adjust an incorrect entry in a previous filing.
- (10) Stock options are currently fully exercisable

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.