

INTEL CORP
Form 4
July 25, 2018

FORM 4

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
INTEL CORP

(Last) (First) (Middle)

2200 MISSION COLLEGE BLVD

(Street)

SANTA CLARA, CA 95054

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

Borqs Technologies, Inc. [BRQS]

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

07/03/2018

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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 Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|--|--|--|
| ORDINARY SHARES ⁽¹⁾ <u>(2)</u> | 07/03/2018 ⁽¹⁾⁽²⁾⁽⁴⁾ | | J ⁽¹⁾⁽²⁾ | 217,524 | A 10.4 4,410,280 | I | Through wholly-owned subsidiary ⁽⁵⁾ |
| | | | | Amount | (A) or (D) Price \$ ⁽³⁾ | | |

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
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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 Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repor Trans (Instr |
|---|--|---|---|--------------------------------------|--|--|---|---|---|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships |
|--|----------------------------------|
| | Director 10% Owner Officer Other |
| INTEL CORP 2200 MISSION COLLEGE BLVD SANTA CLARA, CA 95054 | X |

Signatures

/s/ Susie Giordano, Corporate Vice
President 07/25/2018

__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) On August 18, 2017, Borqs Technologies, Inc. (f/k/a Pacific Special Acquisition Corp.) (the "Issuer") issued 3,799,172 ordinary shares, no par value ("Ordinary Shares"), to Intel Capital Corporation ("Intel Capital"), a Delaware corporation and a wholly owned subsidiary of Intel, pursuant to terms of that certain Merger Agreement, dated December 27, 2016 and amended on May 10, 2017 and June 29, 2017 (as amended, the "Merger Agreement"), providing for the merger of the Issuer's wholly-owned subsidiary, PAAC Merger Subsidiary Limited with and into Borqs International Holding Corp ("Borqs International"), with Borqs International as the surviving entity and wholly-owned subsidiary of the Issuer. Pursuant to the Merger Agreement and an escrow agreement entered into in connection with the closing of the merger, the Issuer issued certain Ordinary Shares to an escrow agent to be held in an indemnity escrow account, and Intel Capital,

(2) (Continued from Footnote 1) under certain circumstances, may be entitled to receive up to a maximum of 166,997 additional Ordinary Shares upon release of the escrowed shares (the "Indemnification Provisions"). Such indemnity shares are included in the number of beneficially owned shares. The Merger Agreement and escrow agreement also provided Intel Capital the right to receive up to 416,803 additional Ordinary Shares if the Issuer's adjusted net income (as defined in the Merger Agreement) for the period between July 1, 2017 and June 30, 2017 was greater than \$18,000,000 (the "Earnout Provisions"). On July 3, 2018, the Issuer determined that 217,524 Ordinary Shares were issuable to Intel Capital pursuant to the Earnout Provisions. Intel's right to receive Ordinary Shares pursuant to the Indemnification Provisions and the Earnout Provisions in accordance with the Merger Agreement became fixed and irrevocable on August 18, 2017, the effective date of the merger.

(3) The Merger Agreement provides for Ordinary Shares to be valued at \$10.40 per Ordinary Share issuable pursuant to its terms, and no additional consideration was paid by Intel Capital for the Ordinary Shares issued pursuant to the Earnout Provisions.

(4)

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This report is being filed within two business days of Intel Corporation being made aware on July 24, 2018 of the determination made by the Issuer with respect to the amount of Ordinary Shares issuable in accordance with the Earnout Provisions.

(5) The securities reported in Table I of this report are owned indirectly by Intel Corporation through Intel Capital.

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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