

MARCHEX INC  
Form 4  
December 21, 2012

**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 \*  
Caldwell Ethan A

(Last) (First) (Middle)  
520 PIKE STREET, SUITE 2000  
(Street)

SEATTLE, WA 98101

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
MARCHEX INC [MCHX]

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/20/2012

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)  
General Counsel & CAO

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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price                                      |
| Class B Common Stock            | 12/20/2012                           |  | A(1)(2)                        |   | 43,000  | A  | \$ 0.01 348,100                            |
| Class B Common Stock            | 12/20/2012                           |  | A(2)(3)                        |   | 42,000  | A  | \$ 0.01 390,100                            |
| Class B Common Stock            | 12/20/2012                           |  | F(4)                           |   | 5,554   | D  | \$ 4.41 384,546                            |

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 Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Employee Stock Option (right to buy)       | \$ 4.41  | 12/20/2012                           |  | A                              | 43,000  | <u>(2)(5)</u> 12/20/2022                                 | Class B Common Stock  | 43,000                     |
| Employee Stock Option (right to buy)       | \$ 4.41  | 12/20/2012                           |  | A                              | 42,000  | <u>(2)(6)</u> 12/20/2022                                 | Class B Common Stock  | 42,000                     |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                       |       |
|--|---------------|-----------|-----------------------|-------|
|  | Director      | 10% Owner | Officer               | Other |
| Caldwell Ethan A<br>520 PIKE STREET<br>SUITE 2000<br>SEATTLE, WA 98101 |               |           | General Counsel & CAO |       |

## Signatures

Ethan A. Caldwell 12/21/2012

\*\*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).

Restricted stock award effective December 20, 2012 (the "Grant Date"). The restricted stock has been issued in three separate tranches, representing approximately 32% ("Tranche A"), 33% ("Tranche B") and 35% ("Tranche C"), respectively, of such award. Such restricted stock shall vest on the later of (a) the twelve month anniversary of the Grant Date (Tranche A), the twenty-four month anniversary of the Grant Date (Tranche B) or the thirty month anniversary of the Grant Date (Tranche C), and (b) the last day of the first 20 consecutive trading day period after the Grant Date during which the average closing price of the Issuer's Class B Common Stock over such period is equal to or greater than \$4.50 (Tranche A), \$5.25 (Tranche B) or \$6.00 (Tranche C).

One hundred percent (100%) of all options and restricted stock not already vested as of the date hereof, shall become immediately vested upon the occurrence of both (a) a Change of Control (as defined in such reporting person's award agreements), (b) followed by (i) a termination without cause of such reporting person's employment by the Issuer or any successor thereto, (ii) a Diminution in Duties (as defined in such reporting person's award agreements) with respect to the reporting person, or (iii) the twelve month anniversary of the occurrence of the Change of Control.

Restricted stock award effective the Grant Date. The restricted stock award vests in accordance with the following four year vesting schedule: 25% of the total shares shall vest on each of the first, second, third and fourth annual anniversaries, respectively, of the Grant Date.

(4) Exempt disposition to the Issuer under Rule 16b-3(e) to satisfy tax withholding obligations arising out of the vesting of restricted stock.

Option grant effective the December 20, 2012 (the "Option Grant Date"). The options have been issued in three separate tranches, representing approximately 32% ("Tranche A"), 33% ("Tranche B") and 35% ("Tranche C"), respectively, of such award. Such options shall vest on the later of (a) the twelve month anniversary of the Option Grant Date (Tranche A), the twenty-four month anniversary of the Option Grant Date (Tranche B) or the thirty month anniversary of the Option Grant Date (Tranche C), and (b) the last day of the first 20 consecutive trading day period after the Option Grant Date during which the average closing price of the Issuer's Class B Common Stock over such period is equal to or greater than \$4.50 (Tranche A), \$5.25 (Tranche B) or \$6.00 (Tranche C).

(6) Option grant effective the Option Grant Date. 25% of the options will vest on the first annual anniversary of the Option Grant Date. Thereafter, 1/12 of the remaining will vest quarterly thereafter for the following three years.

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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