

PRATT RICHARD T
Form 4
October 16, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
PRATT RICHARD T

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)
15253 AVENUE OF SCIENCE,
BLDG. 1

(Street)

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

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

SAN DIEGO, CA 92128

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 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)	Code	V	Amount	(D)	Price

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 required to respond unless the form displays a currently valid OMB control number.

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
------------------------	---------------	--------------------------------------	-------------------------------	----------------	-------------------------	---	---

Edgar Filing: PRATT RICHARD T - Form 4

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	Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 8 ⁽¹⁾	10/12/2007	D		17,500		⁽¹⁾	02/14/2013	Common Stock	17,500
Phantom Stock	⁽²⁾	10/12/2007	D		7,804		⁽²⁾	⁽²⁾	Common Stock	7,804

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PRATT RICHARD T 15253 AVENUE OF SCIENCE, BLDG. 1 SAN DIEGO, CA 92128		X		

Signatures

By: David E. Hertz, Attorney-in-Fact For: Richard T. Pratt 10/16/2007

⁽¹⁾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 February 14, 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 fully vested and outstanding as of 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 (the "Merger Agreement"), in exchange for a cash payment, distributed in accordance with the terms of the Deferred Compensation Plan and the related Company Stock-Based Award and the elections of participants therein, equal to the product of (i) the number of phantom shares multiplied by (ii) \$11.75.

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.