

Henry Patrick C
Form 4
January 28, 2011

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 *
Henry Patrick C

2. Issuer Name and Ticker or Trading Symbol
ENTROPIC COMMUNICATIONS INC [ENTR]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
6290 SEQUENCE DRIVE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/27/2011

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

SAN DIEGO, CA 92121
(City) (State) (Zip)

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

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (D) | Price |
| Common Stock | 01/27/2011 | | M | | 15,000 | A | \$ 0.325 |
| Common Stock | 01/27/2011 | | S ⁽¹⁾ | | 15,000 | D | \$ 11.7303 |
| Common Stock | | | | | | | |
| Common Stock | | | | | 157,418 | I | '09 GRAT PH ⁽³⁾ |
| Common Stock | | | | | 157,418 | I | '09 GRAT WH ⁽⁴⁾ |

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Common Stock 349,952 I by Trust (5)

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

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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 |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Incentive Stock Option (right to buy) | \$ 0.325 | 01/27/2011 | | M | 15,000 | (6) 09/12/2013 | Common Stock | 15,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------|-------|
| | Director | 10% Owner | Officer | Other |
| Henry Patrick C 6290 SEQUENCE DRIVE SAN DIEGO, CA 92121 | X | | CEO & President | |

Signatures

By: Lance W. Bridges, as attorney-in-fact For: Patrick C. Henry 01/28/2011

**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) The sales reported in the Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on August 2, 2010.
- (2) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$11.50 to \$11.94, per share. The reporting person undertakes to provide to Entropic Communications (the "Company"), any security holder of the

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Company or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in this footnote.

- (3) The shares are held by the Patrick C. Henry and Wendy A. Henry, Trustees of the Patrick C. Henry 2009 Annuity Trust, dated March 26, 2009, of which the Reporting Person holds a pecuniary interest in the annuity provided for in the trust agreement.
- (4) The shares are held by the Patrick C. Henry and Wendy A. Henry, Trustees of the Wendy A. Henry 2009 Annuity Trust, dated March 26, 2009, of which the Reporting Person holds a pecuniary interest in the annuity provided for in the trust agreement.
- (5) By Patrick C. Henry and Wendy A. Henry Family Trust
1/4th of the shares vest one year after the Vesting Commencement Date beginning 9/2/03. 1/48th of the shares vest monthly thereafter over the next three years. The options may be early exercised prior to vesting but any exercised and unvested shares are subject to a right of repurchase on behalf of the Issuer. Additionally, grant is subject to accelerated vesting on the terms and conditions set forth in such individual's Change of Control Agreement.
- (6)

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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