

KATHWARI M FAROOQ  
 Form 4  
 July 06, 2009

**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 \*  
**KATHWARI M FAROOQ**

2. Issuer Name and Ticker or Trading Symbol  
**ETHAN ALLEN INTERIORS INC  
 [ETH]**

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

(Last) (First) (Middle)  
**ETHAN ALLEN DRIVE**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**07/01/2009**

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

**DANBURY, CT 06811**  
 (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)
Common Stock				(A)	1,823,928 <sup>(3)</sup>	D	
Restricted Stock	07/01/2009		A	20,000 <sup>(1)</sup>	\$ 1,843,928	A	10.68
Common Stock					518,446	I	Kathwari 2007 Grantor Retained Annuity Trust (GRAT)

Common Stock					200,000	I	Kathwari 2008 Grantor Retained Annuity Trust (GRAT)
Common Stock					138,186	I	Irfan Kathwari Trust
Common Stock					15,364	I	Held by Spouse

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Common Stock	\$ 10.68	07/01/2009		A	60,000 (2)	06/30/2010	06/30/2019	Common Stock	60,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KATHWARI M FAROOQ ETHAN ALLEN DRIVE DANBURY, CT 06811	X	X	Chairman, President & CEO	

## Signatures

M. Farooq  
Kathwari

07/06/2009

\_\_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) Restricted stock granted pursuant to 2007 employment agreement - performance based vesting.
  - (2) Options fully vest on June 30, 2010.
  - (3) Includes forfeiture of 60,000 unvested shares of restricted stock from November 11, 2008 grant.

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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