

JOE'S JEANS INC.

Form 4

December 20, 2007

**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

OMB  
Number: 3235-0287  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Sandhu Hamish

(Last) (First) (Middle)

1782 ORIOLE DRIVE

(Street)

COSTA MESA, CA 92626

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
JOE'S JEANS INC. [JOEZ]

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/18/2007

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

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

Chief Financial Officer

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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>(A) or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Common<br>Stock <sup>(1)</sup>        | 12/18/2007                              |                                                             | A                                    | Amount<br><u>(2)</u><br>100,000                                         | (A)<br>or<br>(D)<br>A<br>Price<br><u>(2)</u><br>\$ 0                                                               | 100,000                                                              | D                                                                 |

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<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code<br>(Instr. 8) | 5. Number of<br>Derivative<br>Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4, and<br>5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | Amount<br>Number<br>Shares |
|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|----------------------------|
| Employee<br>Stock<br>Option<br>(right to<br>buy)    | \$ 1.98                                                               | 12/18/2007                              |                                                             | D                                       | 100,000                                                                                                   | 09/27/2007 08/27/2017                                          | Common<br>Stock                                                     | 100,0                      |

## Reporting Owners

| Reporting Owner Name / Address                             | Relationships                    |
|------------------------------------------------------------|----------------------------------|
|                                                            | Director 10% Owner Officer Other |
| Sandhu Hamish<br>1782 ORIOLE DRIVE<br>COSTA MESA, CA 92626 | Chief Financial Officer          |

## Signatures

/s/ HAMish  
Sandhu  
12/20/2007  
Date  
Signature of  
Reporting Person

## 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 shares of common stock represented in Table I are in the form of Restricted Stock Units ("RSU") that represent a contingent right to receive one share of the Company's Common Stock.
- The RSUs were granted pursuant to the 2004 Stock Incentive Plan. These shares vest every 6 months over a 4 year period and become fully transferable on December 18, 2011. In the event that the reporting person is terminated without Just Cause by the Company (as the term is defined in the RSU Agreement), death or disability, then the RSU becomes immediately vested on such termination date to the extent that the RSU is unvested as of that date.
- (2) The option was cancelled by the mutual agreement of the reporting person and the Company. The reporting person received a new grant of RSUs similar to other grants to other employees pursuant to the 2004 Stock Incentive Plan as consideration for the cancellation. The value of each share of the RSU was \$1.46 and determined by the closing price of one share of the Company's Common Stock on the date of grant.
- (3)

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.