

Discovery Holding CO
Form 4
June 17, 2008

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 *
MALONE JOHN C

(Last) (First) (Middle)

12300 LIBERTY BLVD.

(Street)

ENGLEWOOD, CO 80112

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Discovery Holding CO [DISC]

3. Date of Earliest Transaction (Month/Day/Year)
06/14/2008

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)
Chairman, CEO

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 or Price | | |
| Series A Common Stock | 06/14/2008 | | M | | 6,667 A \$ 14.67 | 598,423 | D |
| Series A Common Stock | 06/14/2008 | | F(1) | | 3,861 D \$ 25.33 | 594,562 | D |
| Series A Common Stock | 06/14/2008 | | F(2) | | 37,686 D \$ 25.33 | 556,876 | D |
| Series A Common | | | | | | 480,889 (3) | I By Spouse |

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| | | | | | | | | | |
|-----------------------------|------------|--|---|--------|---|-------------|------------|---|------------------------|
| Stock | | | | | | | | | |
| Series A Common Stock | | | | | | 1,217,920 | I | | By Trust <u>(4)</u> |
| Series A Common Stock | | | | | | 330 | I | | By Trust <u>(5)</u> |
| Series B Common Stock | 06/14/2008 | | M | 60,000 | A | \$ 15.91 | 11,846,040 | D | |
| Series B Common Stock | | | | | | 340,943 | <u>(3)</u> | I | By Spouse |

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 Securities (Instr. 3 and 4) | 8. Pr Deriv Secu (Instr | |
|---|--|---|---|--------------------------------------|--|--|---|----------------------------------|-------------------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option (Right to Buy) | \$ 14.67 | 06/14/2008 | | M | 6,667 | <u>(6)</u> | <u>(7)</u> | Series A Common Stock | 6,667 |
| Stock Option (Right to Buy) | \$ 15.91 | 06/14/2008 | | M | 60,000 | <u>(6)</u> | <u>(7)</u> | Series B Common Stock | 60,000 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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Director 10% Owner Officer Other

MALONE JOHN C
12300 LIBERTY BLVD.
ENGLEWOOD, CO 80112

X X Chairman, CEO

Signatures

/s/ Craig Troyer,
Attorney-in-fact

06/17/2008

**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).
- The number of shares of Series A common stock disposed of in the transaction were delivered by the Reporting Person to the Issuer in
- (1) satisfaction of the aggregate exercise price payable to the Issuer in connection with the Reporting Person's exercise of an option to acquire shares of the Issuer's Series A common stock.
- The number of shares of Series A common stock disposed of in the transaction were delivered by the Reporting Person to the Issuer in
- (2) satisfaction of the aggregate exercise price payable to the Issuer in connection with the Reporting Person's exercise of an option to acquire shares of the Issuer's Series B common stock.
 - (3) The Reporting Person disclaims beneficial ownership of these shares owned by his spouse.
 - (4) The Reporting Person is the sole trustee of and, with his spouse, retains a unitrust interest in the trust.
 - (5) The Reporting Person is the sole trustee of and, with his spouse, retains a unitrust interest in the trust.
 - (6) The stock option vested as to all shares at 12:01 a.m. on June 14, 2008.
 - (7) The stock option expired as to all shares at 5:00 p.m. on June 14, 2008.

Remarks:

The trading symbols for the Issuer's Series A and Series B Common Stock are, respectively, DISCA and DISCB.

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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