

POLT DIETER
Form 4
March 02, 2006

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 *
POLT DIETER

2. Issuer Name and Ticker or Trading Symbol
ALBANY INTERNATIONAL CORP /DE/ [AIN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

(Last) (First) (Middle)
C/O ALBANY INTERNATIONAL CORP., P.O. BOX 1907

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/01/2006

ALBANY, NY 12201-1907

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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Class A Common Stock ⁽¹⁾	03/01/2006		M	2,603 A <u>(1)</u>	2,603 <u>(1)</u>	D <u>(1)</u>	
Class A Common Stock ⁽¹⁾	03/01/2006		D	2,603 D \$ 36.43	0	D <u>(1)</u>	

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

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number.

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	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option ⁽²⁾	\$ 20.45					11/06/2002 ⁽³⁾	11/06/2021	Class A Common	5,000
Employee Stock Option ⁽²⁾	\$ 20.63					11/07/2003 ⁽⁴⁾	11/07/2022	Class A Common	5,000
Restricted Stock Units ⁽⁵⁾	<u>(5)</u>					<u>(5)(6)</u>	<u>(5)(6)</u>	Class A Common Stock	2,268
Restricted Stock Units ⁽⁵⁾	<u>(5)</u>					<u>(5)(7)</u>	<u>(5)(7)</u>	Class A Common Stock	2,996
Restricted Stock Units ⁽⁸⁾	<u>(8)</u>	03/01/2006		M	2,603	<u>(8)(9)</u>	<u>(8)(9)</u>	Class A Common Stock	10,410

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
POLT DIETER C/O ALBANY INTERNATIONAL CORP. P.O. BOX 1907 ALBANY, NY 12201-1907			Group Vice President	

Signatures

Kathleen M. Tyrrell,
Attorney-in-fact

03/02/2006

 **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) Deemed acquisition and disposition to the issuer of shares of stock underlying Restricted Stock Units. No shares were actually issued or disposed.
- (2) Option granted pursuant to Company's 1998 Stock Option Plan as incentive to remain in employ of Company.
- (3) Become exercisable as to 1,000 shares on each November 6, beginning November 6, 2002.
- (4) Become exercisable as to 1,000 shares on each November 7, beginning November 7, 2003.

(5) Restricted Stock Units granted pursuant to the Albany International Corp. 2003 Restricted Stock Unit Plan (the "Restricted Stock Unit Plan"). Each Restricted Stock Unit entitles the holder to receive the cash equivalent of one share of Class A Common Stock at the time of vesting or, in the event that the holder elects to defer payment, at such later time elected in accordance with the Restricted Stock Unit Plan.

- (6) 740 Restricted Stock Units (plus related dividend units) vest on each November 13, beginning November 13, 2004.
- (7) 740 Restricted Stock Units (plus related dividend units) vest on each November 11, beginning November 11, 2005.

(8) Restricted Stock Units granted pursuant to the Albany International Corp. 2005 Incentive Plan (the "Incentive Plan"). Each Restricted Stock Unit award entitles the holder to receive a number of shares of Class A Common Stock, the cash equivalent of such shares, or a combination of cash and shares, in each case in accordance with a vesting schedule.

- (9) (a) 25% of the reported units (plus related dividend units) will be settled and payable on or about March 1, 2006, (b) 50% of the reported units (plus related dividend units) will be settled and payable on or about March 1, 2007, and (c) the final 25% of the reported units (plus related dividend units) will be settled and payable on or about March 1, 2008. The 2006 payment will be all in cash, while each of the 2007 and 2008 payments will be half in cash, half in shares of the Company's Class A Common Stock.

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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\$15,856

\$15,591

Earnings per share:

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Basic

\$0.60

\$0.59

\$1.17

\$1.15

Diluted

\$0.59

\$0.58

\$1.15

\$1.13

All outstanding options of CryptoLogic Inc. as of the date of Arrangement were fully assumed by CryptoLogic Limited under the same terms and conditions as originally granted by CryptoLogic Inc.

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5. Share capital*Authorized:*

Unlimited common shares

Issued and Outstanding:

<i>In thousands</i>	CryptoLogic Limited		CryptoLogic Exchange		CryptoLogic Inc.			Total Stated Value
	Common Shares		Exchangeable Shares		Common Shares			
	Issued	Stated Value	Issued	Stated Value	Issued	Stated Value	Contributed Surplus	
Balance - December 31, 2005					13,322	\$ 25,103	\$ 68	\$ 25,171
Exercise of stock options					319	3,925		3,925
Balance - December 31, 2006					13,641	\$ 29,028	\$ 68	\$ 29,096
Balance - December 31, 2006					13,641	\$ 29,028	\$ 68	\$ 29,096
Exercise of stock options					263	4,975		4,975
Arrangement (see Note 1)	12,571	30,743	1,333	3,260	(13,904)	(34,003)		
Share exchanged (see Note 1)	171	418	(171)	(418)				
Exercise of stock options	3	19						19
Balance - June 30, 2007	12,745	\$ 31,180	1,162	\$ 2,842			\$ 68	\$ 34,090

The Exchangeable shares can be exchanged for CryptoLogic Limited shares at anytime. On June 1, 2014, CryptoLogic Limited has the right to retract any Exchangeable shares that have yet to be exchanged.

6. Normal Course Issuer Bid

In September 2006, the Board of Directors approved the renewal of a share purchase plan, under a Normal Course Issuer Bid, to repurchase and cancel up to 1,350,000 of the Company's outstanding common shares for the period commencing September 29, 2006 and ending September 28, 2007. As at June 30, 2007, the Company had not repurchased any shares from the renewed Normal Course Issuer Bid.

7. Financial Instruments

Explanation of Responses:

Financial instruments, potentially exposing the Company to a concentration of credit risk, interest rate and foreign exchange risk, consist principally of cash, cash equivalents and short term investments. The Company manages credit risk by investing in cash equivalents and short term investments rated as A and R1 or above.

The Company does not believe that the results of operations or cash flows would be affected to any significant degree by a sudden change in market interest rates relative to interest rates on the investments, owing to the relative short term nature of the investments.

In regard to foreign exchange, the Company is to a large degree economically hedged . The Company may engage from time to time in currency hedging, although no hedging has been done in 2007 and 2006. Its financial reporting is in US dollars.

8. Intangible assets

During the first quarter of 2007 , the Company signed an agreement to purchase the poker brand and customer list of Parbet.com, a Norwegian company. The total purchase price paid was \$11,771, with \$11,367 allocated to the brand and \$404 allocated to the customer list. The brand is being amortized over 12 years and the customer list over 5 years.

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9. Reorganization

On September 25, 2006, the Company announced a plan to move the corporate head office to Ireland in 2007 to be located closer to customers and markets for its products.

	Three months ended June 30,		Six months ended June 30,		Since inception to June 30, 2007
	2007	2006	2007	2006	
Professional fees	\$2,225	\$725	\$3,276	\$959	\$4,533
Employee severance	251	-	587	-	2,529
Employee relocation and recruitment	1,560	40	1,802	40	2,303
Reorganization Charges	\$4,036	\$765	\$5,665	\$999	9,365
Payments since inception					(5,669)
Non cash stock option expense					(982)
Included in Accounts payable and accrued liabilities at June 30, 2007					\$2,714

10. Guarantees

The Company has guaranteed minimum payments for certain intellectual property rights over multiple-year periods, for the amount of \$5,365.

11. Seasonality

Historically, the first and fourth quarters have been CryptoLogic's strongest periods. Revenue in the second and third quarters may decrease as Internet usage moderates in the warmer months of the year as more people are outdoors.

12. Related party transactions

The Company paid to the law firm in which the Company's Chairman is a partner \$221 and \$115 in the three months ended June 30, 2007 and 2006, respectively, and \$555 and \$227 in the six months ended June 30, 2007 and 2006, respectively.

Explanation of Responses:

13. Comparative figures

Certain of the prior period's figures have been reclassified for consistency with the current period's presentation.

14. Subsequent Event

On August 2, 2007, the Company completed an agreement to acquire a minority ownership interest in 568 Network Inc. ("568 Inc. ") for \$500. 568 Inc. is a developer and distributor of online casual games to the Chinese market. The agreement enables 568 Inc. and CryptoLogic to establish a new China-based venture that will develop and distribute casual, skill-based games for the local and overseas Chinese-language markets. Under terms of the agreement, CryptoLogic is required to make additional investments in 568 Inc. of up to \$750 should 568 Inc. achieve certain financial targets. The Company also has the option to increase its ownership interest to a controlling position in 568 Inc. in the future.
