

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549



05045626

FORM D

NOTICE OF SALE OF SECURITIES PURSUANT TO REGULATION D, SECTION 4(6), AND/OR UNIFORM LIMITED OFFERING EXEMPTION

Name of Offering () check if this is an amendment and name has changed, and indicate change. Klipsch Audio, Inc. Offering of Series A Preferred Stock Filing Under (Check box(es) that apply): () Rule 504 () Rule 505 (X) Rule 506 () Section 4(6) () ULOE Type of Filing: (X) New Filing () Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer Name of Issuer () check if this is an amendment and name has changed, and indicate change. Klipsch Audio, Inc. Address of Executive Offices (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code) 3502 Woodview Trace, Suite 200 Indianapolis, Indiana 46268 (317) 860 - 8220 Address of Principal Business Operations (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code) Same as Executive Offices Brief Description of Business Global manufacturer of high performance loudspeakers and other entertainment products for consumer and professional markets.

Type of Business Organization (X) corporation () limited partnership, already formed () other (please specify): () business trust () limited partnership, to be formed Actual or Estimated Date of Incorporation or Organization: Month Year (X) Actual () Estimated Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State: IN (CN for Canada; FN for other foreign jurisdiction)

PROCESSED MAR 01 2005

- 2. Enter the information requested for the following: Each promoter of the issuer, if the issuer has been organized within the past five years; Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer; Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and Each general and managing partner of partnership issuers.

Check Box(es) that Apply: () Promoter (X) Beneficial Owner (X) Executive Officer (X) Director () General and/or Managing Partner

Full Name (Last name first, if individual) Klipsch, Fred S. Business or Residence Address (Number and Street, City, State, Zip Code) 3502 Woodview Trace, Suite 200 Indianapolis, Indiana 46268

Check Box(es) that Apply: () Promoter () Beneficial Owner (X) Executive Officer (X) Director () General and/or Managing Partner

Full Name (Last name first, if individual) Farrar, Frederick L. Business or Residence Address (Number and Street, City, State, Zip Code) 3502 Woodview Trace, Suite 200 Indianapolis, Indiana 46268

Check Box(es) that Apply: () Promoter () Beneficial Owner () Executive Officer (X) Director () General and/or Managing Partner*

Full Name (Last name first, if individual) Ringo, Cynthia Business or Residence Address (Number and Street, City, State, Zip Code) 1001 Bayhill Drive, Suite 300 San Bruno, California 94066

Check Box(es) that Apply: () Promoter () Beneficial Owner () Executive Officer (X) Director () General and/or Managing Partner*

Full Name (Last name first, if individual) Davis, Rich Business or Residence Address (Number and Street, City, State, Zip Code) 444 Madison Avenue, 39th Floor New York, New York 10022

Check Box(es) that Apply: () Promoter () Beneficial Owner (X) Executive Officer () Director () General and/or Managing Partner

Full Name (Last name first, if individual) Jacoby, Tom Business or Residence Address (Number and Street, City, State, Zip Code) 484 Throckmorton Avenue Mill Valley, California 94941

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Klipsch, Michael F.

Business or Residence Address (Number and Street, City, State, Zip Code)

3502 Woodview Trace, Suite 200 Indianapolis, Indiana 46268

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Mills, Nancy

Business or Residence Address (Number and Street, City, State, Zip Code)

3502 Woodview Trace, Suite 200 Indianapolis, Indiana 46268

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Frederick L. Farrar, as Trustee of Fred & Judy Klipsch Family Wealth Trust for Michael F. Klipsch

Business or Residence Address (Number and Street, City, State, Zip Code)

3502 Woodview Trace, Suite 200 Indianapolis, Indiana 46268

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Frederick L. Farrar, as Trustee of Fred & Judy Klipsch Family Wealth Trust for Stephen P. Klipsch

Business or Residence Address (Number and Street, City, State, Zip Code)

3502 Woodview Trace, Suite 200 Indianapolis, Indiana 46268

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

VantagePoint Venture Partners III (O), L.P.*

Business or Residence Address (Number and Street, City, State, Zip Code)

1001 Bavhill Road, Suite 300 San Bruno, California 94066

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

VantagePoint Venture Partners IV (O), L.P.*

Business or Residence Address (Number and Street, City, State, Zip Code)

1001 Bavhill Road, Suite 300 San Bruno, California 94066

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

* Each entity acquired its shares in the offering to which this Form D relates.

B. INFORMATION ABOUT OFFERING

- | | | | |
|----|---|--------------------------|-------------------------------------|
| 1. | Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering..... | Yes | No |
| | Answer also in Appendix, Column 2, if filing under ULOE. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. | What is the minimum investment that will be accepted from any individual? | | \$ 139,432.83 |
| 3. | Does the offering permit joint ownership of a single unit? | Yes | No |
| | | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

Full Name (Last name first, if individual)

None

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt.....	\$ 0	\$ 0
Equity.....	\$52,250,191.35	\$ 52,250,191.35
Convertible Securities (including warrants).....	\$ 0	\$ 0
Partnership Interests.....	\$ 0	\$ 0
Other (Specify):	\$ 0	\$ 0
Total.....	\$ 52,250,191.35	\$ 52,250,191.35

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amount of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number of Investors	Aggregate Dollar Amount of Purchases
Accredited Investors	5	\$ 52,250,191.35
Non-accredited Investors	0	\$ 0
Total (for filings under Rule 504 only)	N/A	\$ N/A

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C - Question 1. N/A

Type of offering	Type of Security	Dollar Amount Sold
Rule 505	None	\$ _____
Regulation A	None	\$ _____
Rule 504.....	None	\$ _____
Total		\$ _____

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees	<input type="checkbox"/> \$ _____ 0
Printing and Engraving Costs	<input type="checkbox"/> \$ _____ 0
Legal Fees	<input checked="" type="checkbox"/> \$ 700,000.00
Accounting Fees	<input checked="" type="checkbox"/> \$ 258,375.00
Engineering Fees	<input type="checkbox"/> \$ _____ 0
Sales Commissions (specify finders' fees separately)	<input type="checkbox"/> \$ _____ 0
Other Expenses (identify)	<input type="checkbox"/> \$ _____ 0
Total	<input checked="" type="checkbox"/> \$ 958,375.00

b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question

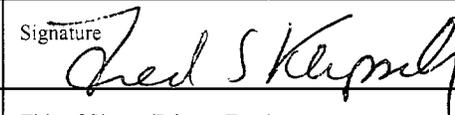
4.a. This difference is the "adjusted gross proceeds to the issuer." \$ 51,291,816.35

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b above.

	Payments to Officers, Directors, & Affiliates	Payments To Others
Salaries and fees	<input type="checkbox"/> \$ _____ 0	<input type="checkbox"/> \$ _____ 0
Purchase of real estate	<input type="checkbox"/> \$ _____ 0	<input type="checkbox"/> \$ _____ 0
Purchase, rental or leasing and installation of machinery and equipment	<input type="checkbox"/> \$ _____ 0	<input type="checkbox"/> \$ _____ 0
Construction or leasing of plant buildings and facilities	<input type="checkbox"/> \$ _____ 0	<input type="checkbox"/> \$ _____ 0
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)	<input type="checkbox"/> \$ _____ 0	<input checked="" type="checkbox"/> 18,084,739.93
Repayment of indebtedness	<input type="checkbox"/> \$ _____ 0	<input type="checkbox"/> \$ _____ 0
Working capital	<input type="checkbox"/> \$ _____ 0	<input checked="" type="checkbox"/> \$ 3,207,038.53
Other (specify): Payment of Dividend and Repurchase of Shares	<input type="checkbox"/> \$ 16,862,289.16	<input type="checkbox"/> \$ 13,137,748.73
Column Totals	<input checked="" type="checkbox"/> \$ 16,862,289.16	<input type="checkbox"/> \$ 34,429,527.19
Total Payments Listed (column totals added)	<input checked="" type="checkbox"/> \$ 51,291,816.35	

D. FEDERAL SIGNATURE

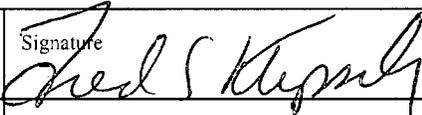
The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) Klipsch Audio, Inc.	Signature 	Date February 24 , 2005
Name of Signer (Print or Type) Fred S. Klipsch	Title of Signer (Print or Type) Chairman, President & CEO	

E. STATE SIGNATURE

1. Is any party described in 17 CFR 230.252(c), (d), (e) or (f) presently subject to any of the disqualification provisions of such rule? Yes No
See Appendix, Column 5, for state response.
2. The undersigned issuer hereby undertakes to furnish to any state administrator of any state in which this notice is filed, a notice on Form D (17 CFR 239.500) at such times as required by state law.
3. The undersigned issuer hereby undertakes to furnish to the state administrators, upon written request, information furnished by the issuer to offerees.
4. The undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform Limited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the availability of this exemption has the burden of establishing that these conditions have been satisfied.

The issuer has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

Issuer (Print or Type) Klipsch Audio, Inc.	Signature 	Date February 24 , 2005
Name of Signer (Print or Type) Fred S. Klipsch	Title of Signer (Print or Type) Chairman, President & CEO	

APPENDIX

1 State	2 Intend to sell to non-accredited investors in State (Part B-Item 1)		3 Type of security and aggregate offering price offered in state (Part C-Item 1)	4 Type of investor and amount purchased in State (Part C-Item 2)			5 Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)		
	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
AL		X							
AK		X							
AZ		X							
AR		X							
CA		X	Series A Preferred Stock, \$52,250,191.35	5	\$52,250,191.35	0	0		X
CO		X							
CT		X							
DE		X							
DC		X							
FL		X							
GA		X							
HI		X							
ID		X							
IL		X							
IN		X							
IA		X							
KS		X							
KY		X							
LA		X							
ME		X							
MD		X							
MA		X							
MI		X							
MN		X							
MS		X							
MO		X							

MT		X							
NE		X							
NV		X							
NH		X							
NJ		X							
NM		X							
NY		X							
NC		X							
ND		X							
OH		X							
OK		X							
OR		X							
PA		X							
RI		X							
SC		X							
SD		X							
TN		X							
TX		X							
UT		X							
VT		X							
VA		X							
WA		X							
WV		X							
WI		X							
WY		X							
PR		X							