

MAGNACHIP SEMICONDUCTOR Corp  
Form SC 13D/A  
May 31, 2016

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

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. 4)1

(Name of Issuer) MagnaChip Semiconductor Corporation

Common Stock, \$0.01 par value per share  
(Title of Class of Securities)

55933J203  
(CUSIP Number)

GLENN W. WELLING  
ENGAGED CAPITAL, LLC  
610 Newport Center Drive, Suite 250  
Newport Beach, California 92660  
(949) 734-7900

STEVE WOLOSKY, ESQ.  
ANELIYA CRAWFORD, ESQ.  
OLSHAN FROME WOLOSKY LLP  
1325 Avenue of the Americas  
New York, New York 10019  
(212) 451-2300

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

May 26, 2016  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box " .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital Master Feeder I, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 1,017,209                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 1,017,209                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,017,209

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.9%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital Master Feeder II, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 2,435,765                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 2,435,765                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,435,765

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.0%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital I, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 1,017,209                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 1,017,209                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,017,209

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.9%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital I Offshore, Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 1,017,209                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 1,017,209                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,017,209

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.9%

14 TYPE OF REPORTING PERSON

CO

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital II, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 2,435,765                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 2,435,765                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,435,765

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.0%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital II Offshore Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 2,435,765                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 2,435,765                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,435,765

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.0%

14 TYPE OF REPORTING PERSON

CO



CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 3,852,974                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 3,852,974                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,852,974

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital Holdings, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 3,852,974                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 3,852,974                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,852,974

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Glenn W. Welling

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 3,852,974                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 3,852,974                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,852,974

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.1%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Melvin L. Keating

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

|   |    |                                |
|---|----|--------------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER              |
|   | 8  | 6,500 SHARED VOTING POWER      |
|   | 9  | - 0 - SOLE DISPOSITIVE POWER   |
|   | 10 | 6,500 SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

Less than 1%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Camillo Martino

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

AUSTRALIA

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | - 0 -                    |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | - 0 -                    |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

- 0 -

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Joseph Lash

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | - 0 -                    |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | - 0 -                    |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

- 0 -

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Christopher B. Hetrick

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

|   |       |                          |
|---|-------|--------------------------|
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | 7     | SOLE VOTING POWER        |
|   |       | - 0 -                    |
|   | 8     | SHARED VOTING POWER      |
|   |       | - 0 -                    |
|   | 9     | SOLE DISPOSITIVE POWER   |
|   | - 0 - |                          |
|   | 10    | SHARED DISPOSITIVE POWER |
|   |       | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

- 0 -

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 55933J203

The following constitutes Amendment No. 4 to the Schedule 13D filed by the undersigned (“Amendment No. 4”). This Amendment No. 4 amends the Schedule 13D, as specifically set forth herein.

Item 2. Identity and Background.

Item 2 is hereby amended to add the following:

In connection with the Settlement Agreement defined and described in Item 4 below, the Reporting Persons are no longer members of the Section 13(d) group and shall cease to be Reporting Persons immediately after the filing of this Amendment No. 4.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended to add the following:

The Shares purchased by Mr. Keating were purchased in the open market with personal funds. The aggregate purchase price of the 6,500 Shares owned directly by Mr. Keating is approximately \$32,265, excluding brokerage commissions.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On May 26, 2016, Engaged Capital Master I, Engaged Capital Master II, Engaged Capital I, Engaged Capital Offshore, Engaged Capital II, Engaged Capital Offshore II, Engaged Capital, Engaged Holdings, Mr. Welling (each, an “Engaged Party” and collectively, the “Engaged Parties”) and the Issuer entered into a settlement agreement (the “Settlement Agreement”). The following description of the Settlement Agreement is qualified in its entirety by reference to the Settlement Agreement, which is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Pursuant to the terms of the Settlement Agreement, the Issuer agreed, among other things: (i) to appoint each of Camillo Martino and Melvin L. Keating as observers to the Issuer’s Board of Directors (the “Board”), subject to certain limitations, until the time of the Issuer’s 2016 Annual Meeting of Stockholders (the “Annual Meeting”); (ii) to nominate and solicit proxies for the election of Mr. Martino as an independent director in the same manner as for the Company’s other nominees standing for election to the Board at the Annual Meeting; (iii) to, immediately following the Annual Meeting, increase the size of the Board to eight (8) members and appoint Mr. Keating (together with Mr. Martino, the “New Directors” and each, a “New Director”) as a new independent member of the Board; and (iv) to, after the election or appointment of the New Directors, appoint each New Director to the Board’s Strategic Review Committee overseeing the Issuer’s review of strategic alternatives. Additionally, if either New Director (x) is unable to serve as a director or resigns prior to the end of the Standstill Period (described below), and (y) the aggregate ownership of the Engaged Parties falls below 5% of the Shares outstanding (as adjusted for stock splits, reclassifications, and other similar adjustments) (the “Minimum Ownership Threshold”), then the Engaged Parties will designate a replacement person(s), who is not an employee or former employee of any Engaged party, but who is reasonably acceptable to the Board and meets certain independence criteria. If the Engaged Parties ownership of Shares does not fall below the Minimum Ownership Threshold, then they lose their power to replace either New Director. The Issuer also agreed that the Board will not cause itself to consist of more than ten (10) directors during the term of the Settlement Agreement. The Engaged Parties also agreed to withdraw their notice of intent to nominate directors at the Annual Meeting and, if Institutional Shareholder Services concurs, to vote in accordance with the Board’s recommendations on certain



ordinary business matters at the Annual Meeting. However, Engaged Capital retained its right to vote in its sole discretion on certain matters, including those related to extraordinary transactions and the implementation by the Issuer of takeover defenses.

CUSIP NO. 55933J203

Pursuant to the terms of the Settlement Agreement, until approximately the beginning of the period during which stockholders may submit to the Issuer candidates for election to the Board at the 2017 Annual Meeting of Stockholders (the “Standstill Period”), the Engaged Parties (and their affiliates and associates) agreed, among other things: (i) not to solicit, encourage or engage in any solicitation related to the Issuer’s securities; (ii) not to join any other 13(d)(3) “group” related to the Shares; (iii) not to call a special stockholders’ meeting; (iv) nominate any person for election or seek representation on the Board; (v) not to seek or encourage any person to participate in any contested election of directors or stockholder proposed removal of directors; (vi) not to engage in, or become a participant of, any solicitation related to the Issuer’s securities; and (vii) not to make any proposals for consideration by stockholders or make recommendations for any extraordinary transactions or corporate actions.

On May 27, 2016, the Engaged Parties and the Issuer jointly issued a press release to announce that they have entered into the Settlement Agreement.

Item 5. Interest in Securities of the Issuer.

Items 5(a) – (c) are hereby amended to add the following:

- (a) As of the close of business on May 27, 2016, Mr. Keating beneficially owned 6,500 Shares, constituting less than 1% of the Shares outstanding.
- (b) Mr. Keating has sole power to vote and dispose of the 6,500 Shares he beneficially owns.
- (c) The transactions in the Shares by Mr. Keating during the past sixty (60) days are as set forth in Schedule A and are incorporated herein by reference.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Item 6 is hereby amended to add the following:

On May 26, 2016, the Reporting Persons and the Issuer entered into the Settlement Agreement defined and described in Item 4 above and attached as Exhibit 99.1 hereto.

On May 31, 2016, the Reporting Persons terminated the Joint Filing and Solicitation Agreement. A copy of such termination agreement is attached hereto as Exhibit 99.2.

On May 31, 2016, the Engaged Parties terminated the Joint Filing Agreement. A copy of such termination agreement is attached hereto as Exhibit 99.3.

CUSIP NO. 55933J203

Item 7. Material to be Filed as Exhibits.

99.1 Settlement Agreement by and among MagnaChip Semiconductor Corporation, Engaged Capital Master Feeder I, LP, Engaged Capital Master Feeder II, LP, Engaged Capital I, LP, Engaged Capital I Offshore, Ltd., Engaged Capital II, LP, Engaged Capital II Offshore Ltd., Engaged Capital, LLC, Engaged Capital Holdings, LLC, and Glenn W. Welling, dated as of May 26, 2016.

99.2 Termination of Joint Filing and Solicitation Agreement.

99.3 Termination of Joint Filing Agreement.

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CUSIP NO. 55933J203

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: May 31, 2016

Engaged Capital Master Feeder I, LP

By: Engaged Capital, LLC  
General Partner

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment Officer

Engaged Capital Master Feeder II, LP

By: Engaged Capital, LLC  
General Partner

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment Officer

Engaged Capital I, LP

By: Engaged Capital, LLC  
General Partner

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment Officer

Engaged Capital I Offshore, Ltd.

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Director



CUSIP NO. 55933J203

Engaged Capital II, LP

By: Engaged Capital, LLC  
General Partner

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment  
Officer

Engaged Capital II Offshore Ltd.

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Director

Engaged Capital, LLC

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment  
Officer

Engaged Capital Holdings, LLC

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Sole Member

/s/ Glenn W. Welling  
Glenn W. Welling

/s/ Melvin L. Keating  
Melvin L. Keating

/s/ Camillo Martino  
Camillo Martino

/s/ Joseph Lash  
Joseph Lash

/s/ Christopher B. Hetrick  
Christopher B. Hetrick

CUSIP NO. 55933J203

## SCHEDULE A

## Transactions in Securities of the Issuer During the Past Sixty (60) Days

| Nature of the Transaction | Securities<br>Purchased/(Sold) | Price Per<br>Share(\$) | Date of<br>Purchase/Sale |
|---------------------------|--------------------------------|------------------------|--------------------------|
| GLENN W. WELLING          |                                |                        |                          |
| Purchase of Common Stock  | 800                            | 4.9000                 | 05/18/2016               |
| Purchase of Common Stock  | 600                            | 4.9100                 | 05/18/2016               |
| Purchase of Common Stock  | 800                            | 4.9200                 | 05/18/2016               |
| Purchase of Common Stock  | 700                            | 4.9300                 | 05/18/2016               |
| Purchase of Common Stock  | 500                            | 4.9400                 | 05/18/2016               |
| Purchase of Common Stock  | 800                            | 4.9500                 | 05/18/2016               |
| Purchase of Common Stock  | 711                            | 4.9600                 | 05/19/2016               |
| Purchase of Common Stock  | 789                            | 5.0900                 | 05/20/2016               |
| Purchase of Common Stock  | 800                            | 5.0500                 | 05/23/2016               |