

ALANCO TECHNOLOGIES INC
Form 4
May 18, 2011

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 *
ORBCOMM Inc.

2. Issuer Name and Ticker or Trading Symbol
ALANCO TECHNOLOGIES INC
[ALAN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
2115 LINWOOD AVE., SUITE 100
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/16/2011

____ Director
____ Officer (give title below)
 10% Owner
____ Other (specify below)

FORT LEE, NJ 07024

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Class A Common Stock | | | | | 78,240 ⁽¹⁾ | D | |
| Class A Common Stock | 05/16/2011 | | P | | 659,553 | A | ⁽²⁾ 737,793 |
| Class A Common Stock | 05/16/2011 | | P | | 479,458 | A | ⁽³⁾ 1,217,251 |
| Class A Common Stock | 05/16/2011 | | S | | 1,212,748 | D | ⁽⁴⁾ 4,503 |

Stock

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 | 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) | | |
|--|--|--------------------------------------|--|---------------------|---|--|---|----------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Series E Convertible Preferred Stock | (6) | 05/16/2011 | | S | 500,000 | (5) | (5) | Class A Common Stock | 750,000 (6) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| ORBCOMM Inc. 2115 LINWOOD AVE. SUITE 100 FORT LEE, NJ 07024 | | | X | |

Signatures

ORBCOMM, Inc., By: /s/ Christian G. LeBrun, Executive Vice President and General Counsel

05/18/2011

__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) Shares of Class A Common Stock of Alanco Technologies, Inc. (the "Alanco Common Stock") issued by Alanco Technologies, Inc. ("Alanco") as dividends to ORBCOMM Inc. ("ORBCOMM") on July 21, 2010, October 20, 2010, January 25, 2011 and April 26, 2011, pursuant to terms of the Series E Convertible Preferred Stock of Alanco (the "Alanco Preferred Stock") held by ORBCOMM. These issuances were exempt from reporting requirements under Rule 16a-9 under the Securities Exchange Act of 1934, as amended.
- (2) Pursuant to the terms of the Stock Purchase Agreement dated as of February 23, 2011 by and among ORBCOMM and the Anderson Family Trust, UTA dated December 20, 1993 and certain of its affiliates (collectively, the "Anderson Group"), ORBCOMM acquired an

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aggregate of 659,553 shares of Alanco Common Stock held by the Anderson Group in exchange for an aggregate of 413,184 shares of the common stock of ORBCOMM (the "ORBCOMM Common Stock").

- (3) Pursuant to the terms of the Stock Purchase Agreement dated as of February 23, 2011 by and among ORBCOMM and Messrs. Timothy P. Slifkin and Thomas A. Robinson, ORBCOMM acquired an aggregate of 479,458 shares of the Alanco Common Stock held by Messrs. Slifkin and Robinson in exchange for an aggregate of 218,877 shares of ORBCOMM Common Stock. In addition, each of Messrs. Slifkin and Robinson will be entitled to receive a pro rata portion of the earn-out amount (determined pursuant to the Asset Purchase Agreement (described in note 4 below)) payable at ORBCOMM's discretion in cash, shares of ORBCOMM Common Stock or a combination of cash and shares.

- (4) Under the Asset Purchase Agreement dated as of February 23, 2011 among ORBCOMM, Alanco and StarTrak Systems, LLC ("StarTrak"), ORBCOMM acquired substantially all the assets of StarTrak for consideration consisting of cash, stock and debt with an aggregate face value of \$18.5 million, subject to adjustment, including among other things, delivery to Alanco for cancellation of (a) an aggregate of 1,212,748 shares of Alanco Common Stock consisting of shares purchased from the Anderson Group and Messrs. Slifkin and Robinson (described in notes 2 and 3 above) and shares acquired as dividends paid on Alanco Preferred Stock held by ORBCOMM (described in note 1 above), and (b) 500,000 shares of Alanco Preferred Stock. Alanco will also be entitled to an earn-out amount based on revenue achieved in calendar year 2011 by the StarTrak business acquired, which is payable at ORBCOMM's discretion in cash, shares of ORBCOMM Common Stock or a combination of cash and shares.

- (5) The conversion rights of Alanco Preferred Stock do not expire and the Alanco Preferred Stock is convertible (a) at the option of the holder at any time; or (b) at the option of Alanco on or after the date that (i) is at least six months from the issue date of the shares of Alanco Preferred Stock to be converted, and (ii) the average NASDAQ closing market price for Alanco Common Stock for preceding ten consecutive trading days equals or exceeds \$0.75 per share.

- (6) Each share of the Alanco Preferred Stock is convertible into 1.5 shares of Alanco Common Stock after giving effect to the 1-for-8 reverse stock split effected by Alanco on August 27, 2010.

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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