

DIGITAL ANGEL CORP

Form 4

January 02, 2008

**FORM 4**
**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**ZARRIELLO MICHAEL S**

(Last) (First) (Middle)

**C/O DIGITAL ANGEL  
CORPORATION, 490 VILLAUME  
AVENUE**

(Street)

**SOUTH ST. PAUL, MN 55075**

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
**DIGITAL ANGEL CORP [DOC]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**12/28/2007**

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)

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)
				(A) or (D)			
			Code	V	Amount		Price

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

**Persons who respond to the collection of  
information contained in this form are not  
required to respond unless the form  
displays a currently valid OMB control  
number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)		(Instr. 3 and 4)			
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	\$ 1.99	12/28/2007	D			250,000	<u>(1)</u>	09/14/2013	Common Stock	250,000
Stock Options (Right to Buy)	\$ 3.79	12/28/2007	D			175,000	<u>(2)</u>	03/15/2014	Common Stock	175,000
Stock Options (Right to Buy)	\$ 5.07	12/28/2007	D			100,000	<u>(3)</u>	02/25/2015	Common Stock	100,000
Stock Options (Right to Buy)	\$ 3.26	12/28/2007	D			200,000	<u>(4)</u>	06/13/2016	Common Stock	200,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ZARRIELLO MICHAEL S C/O DIGITAL ANGEL CORPORATION 490 VILLAUME AVENUE SOUTH ST. PAUL, MN 55075	X			

## Signatures

/s/ Michael S.  
Zarriello

12/20/2007

\_\_\_\_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).

This option is immediately exercisable. This option was assumed by Applied Digital Solutions, Inc., pursuant to the Agreement and Plan  
(1) of Reorganization between issuer, Applied Digital Solutions, Inc. and Digital Angel Acquisition Corp., and replaced with an option to purchase 350,000 shares of Applied Digital Solutions, Inc. common stock for \$1.42 per share.

(2)

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This option is immediately exercisable. This option was assumed by Applied Digital Solutions, Inc., pursuant to the Agreement and Plan of Reorganization between issuer, Applied Digital Solutions, Inc. and Digital Angel Acquisition Corp., and replaced with an option to purchase 245,000 shares of Applied Digital Solutions, Inc. common stock for \$2.71 per share.

- (3) This option is immediately exercisable. This option was assumed by Applied Digital Solutions, Inc., pursuant to the Agreement and Plan of Reorganization between issuer, Applied Digital Solutions, Inc. and Digital Angel Acquisition Corp., and replaced with an option to purchase 140,000 shares of Applied Digital Solutions, Inc. common stock for \$3.62 per share.

- (4) This option is immediately exercisable. This option was assumed by Applied Digital Solutions, Inc., pursuant to the Agreement and Plan of Reorganization between issuer, Applied Digital Solutions, Inc. and Digital Angel Acquisition Corp., and replaced with an option to purchase 280,000 shares of Applied Digital Solutions, Inc. common stock for \$2.33 per share.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.