

DePalma James  
Form 4  
July 27, 2011

**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  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
DePalma James

(Last) (First) (Middle)

C/O L-1 IDENTITY SOLUTIONS,  
INC., 177 BROAD STREET, 12TH  
FLOOR

(Street)

STAMFORD, CT 06901

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

L-1 IDENTITY SOLUTIONS, INC.  
[ID]

3. Date of Earliest Transaction  
(Month/Day/Year)  
07/25/2011

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_X\_\_\_\_ 10% Owner  
\_\_\_\_X\_\_\_\_ Officer (give title below) \_\_\_\_ Other (specify below)  
EVP, CFO & Treasurer

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_\_\_X\_\_\_\_ 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)
Common Stock, par value \$0.001 per share	07/25/2011		D	193,984 (1)	D \$ 12 (1) 0 (1)	D	
Common Stock, par value \$0.001 per share	07/25/2011		D	3,284 (1)	D \$ 12 (1) 0 (1) (2) (2)	I (2)	By 401(k) Plan

Common  
Stock, par  
value  
\$0.001  
per share

07/25/2011

D

7,619,047  
(1)

D

\$ 12 0 (1)  
(1)

I (1)

By limited  
partnership  
of which  
Mr.  
DePalma is  
a managing  
member of  
the general  
partner  
thereof.

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

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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 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 Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Options (right to buy)	\$ 7.33	07/25/2011		D		35,000		<u>(3)</u>	02/10/2019 <u>(3)</u>	Common Stock, par value \$0.001 per share	35,000
Employee Stock Options (right to buy)	\$ 7.23	07/25/2011		D		150,000		<u>(4)</u>	09/08/2019	Common Stock, par value \$0.01 per share	150,000
Deferred Stock Units (Phantom Stock)	\$ 12	07/25/2011		D		36,996		<u>(5)</u>	07/25/2011 <u>(5)</u>	Common Stock, par value \$0.01 per share	36,996

## Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

## Edgar Filing: DePalma James - Form 4

Director    10% Owner    Officer

Other

DePalma James  
C/O L-1 IDENTITY SOLUTIONS, INC.  
177 BROAD STREET, 12TH FLOOR  
STAMFORD, CT 06901

X    EVP, CFO & Treasurer

## Signatures

James A.  
DePalma

07/27/2011

\_\_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) On July 25, 2011, L-1 Identity Solutions, Inc., a Delaware corporation (the "Issuer"), was acquired (the "Merger") pursuant to that certain Agreement and Plan of Merger, dated as of September 19, 2010 (the "Merger Agreement"), by and among the Issuer, Safran SA, a french societe anonyme ("Parent"), and Laser Aquisition Sub Inc., a Delaware corporation and wholly owned subsidiary of Parent ("Merger Sub"). In connection with the Merger, all shares of the Issuer's common stock, par value \$0.001 per share ("Common Stock"), held by the Reporting Person at the effective time of the Merger (the "Effective Time") were exchanged for merger consideration consisting of \$12.00 in cash per share of Common Stock, subject to applicable withholding amounts, as described in the Merger Agreement.

(2) Represents shares of Common Stock held in the Reporting Person's 401(k) Plan that were exchanged for merger consideration in the Merger.

(3) These options to purchase 35,000 shares of Common Stock, which were scheduled to vest in four equal annual installments beginning on the first anniversary of the date of grant (which was February 10, 2010), became fully vested and exercisable as of immediately prior to the Effective Time. As of the Effective Time, each option was cancelled in the Merger in exchange for a cash payment of \$4.67 (\$163,450 in the aggregate), representing the difference between the exercise price of the options (\$7.33 per share) and the merger consideration (\$12.00 per share), subject to applicable tax withholding amounts. Any other stock options held by the Reporting Person were cancelled as of the Effective Time for no value.

(4) These options to purchase 150,000 shares of Common Stock, which were scheduled to vest in four equal annual installments beginning on the first anniversary of the date of grant (which was September 8, 2010), became fully vested and exercisable as of immediately prior to the Effective Time. As of the Effective Time, each option was cancelled in the Merger in exchange for a cash payment of \$4.77 (\$715,500 in the aggregate), representing the difference between the exercise price of the options (\$7.23 per share) and the merger consideration (\$12.00 per share), subject to applicable tax withholding amounts. Any other stock options held by the Reporting Person were cancelled as of the Effective Time for no value.

(5) Represents 36,996 deferred stock units (phantom stock) from a deferred compensation arrangement relating to bonuses previously earned but deferred. Each deferred stock unit outstanding immediately prior to the Effective Time of the Merger was cancelled in exchange for the right to receive an amount equal to the merger consideration (\$12.00 per share), subject to applicable tax withholding amounts.

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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