

DONAHUE MICHAEL J
Form 4
June 04, 2009

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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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 *
DONAHUE MICHAEL J

2. Issuer Name and Ticker or Trading Symbol
Orchard Enterprises, Inc. [ORCD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
06/02/2009

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

C/O THE ORCHARD ENTERPRISES, INC., 23 E. 4TH ST., 3RD FLOOR

(Street)

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

NEW YORK, NY 10003

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Restricted Stock <u>(1)</u> | 06/02/2009 | | A | (A) or (D) Amount 9,728 <u>(1)</u> Price \$ 0 | 9,728 <u>(1)</u> | D | |
| Restricted Stock <u>(2)</u> | 06/02/2009 | | A | (A) or (D) Amount 3,891 <u>(2)</u> Price \$ 0 | 3,891 <u>(2)</u> | D | |
| Restricted Stock <u>(3)</u> | | | | | 3,200 <u>(3)</u> | D | |
| Restricted Stock <u>(4)</u> | | | | | 1,280 <u>(4)</u> | D | |
| Common Stock <u>(5)</u> | | | | | 22,572 <u>(5)</u> | D | |

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Directors on June 2, 2009. These shares of restricted stock vest as follows: (i) 1/2 vest on the date of grant, June 2, 2009, and (ii) the remaining 1/2 vest on the date of the Company's 2010 Annual Meeting of Stockholders, provided that the director continues to serve until the time of the 2010 Annual Meeting. Accordingly, 3,891 shares of restricted stock vested on June 2, 2009 and are included in the reporting person's ownership of Common Stock in Table I.

- An award of 9,596 shares of restricted stock of the Company was granted to the reporting person on June 4, 2008 pursuant to the Non-Executive Directors' Compensation Program then in effect and was previously reported in Table II of the reporting person's Form 4 filed with the SEC on June 6, 2008. These shares of restricted stock vest as follows: (i) 1/3 vest on the date of grant, June 4, 2008, (ii) 1/3 vest on the date of the 2009 Annual Meeting of Stockholders, which was held on June 2, 2009, and (iii) the remaining 1/3 vest on the date of the Company's 2010 Annual Meeting of Stockholders, provided that the director continues to serve until the time of the 2010 Annual Meeting. Accordingly, (i) 3,198 shares of restricted stock vested on June 4, 2008 and (ii) 3,198 shares of restricted stock vested on June 2, 2009 and are included in the reporting person's ownership of Common Stock in Table I.

- An award of 3,838 shares of restricted stock of the Company was granted to the reporting person, in his capacity as the Chairman of the Board, on June 4, 2008 pursuant to the Non-Executive Directors' Compensation Program then in effect and was previously reported in Table II of the reporting person's Form 4 filed with the SEC on June 6, 2008. These shares of restricted stock vest as follows: (i) 1/3 vest on the date of grant, June 4, 2008, (ii) 1/3 vest on the date of the 2009 Annual Meeting of Stockholders, which was held on June 2, 2009, and (iii) the remaining 1/3 vest on the date of the Company's 2010 Annual Meeting of Stockholders, provided that the director continues to serve until the time of the 2010 Annual Meeting. Accordingly, (i) 1,279 shares of restricted stock vested on June 4, 2008 and (ii) 1,279 shares of restricted stock vested on June 2, 2009 and are included in the reporting person's ownership of Common Stock in Table I.

- Includes (i) 9,727 shares of restricted stock that vested on June 2, 2009 pursuant to the restricted stock award described in Footnote 1, (ii) 3,891 shares of restricted stock that vested on June 2, 2009 pursuant to the restricted stock award described in Footnote 2, (iii) 3,198 shares of restricted stock that vested on June 4, 2008 and 3,198 shares of restricted stock that vested on June 2, 2009 pursuant to the restricted stock award described in Footnote 3 and (iv) 1,279 shares of restricted stock that vested on June 4, 2008 and 1,279 shares of restricted stock that vested on June 2, 2009 pursuant to the restricted stock award described in Footnote 4.

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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