

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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
BREECE LORRAINE M

(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
____X____ Officer (give title below) ____ Other (specify below)

Acting Chief Financial Officer

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)
			Code	V Amount (D) Price			

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	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)	\$ 0.672	12/28/2007	D			6,446	<u>(1)</u>	01/01/2012	Common Stock	6,446
Stock Options (Right to Buy)	\$ 4.35	12/28/2007	D			10,000	<u>(2)</u>	05/03/2015	Common Stock	10,000
Stock Options (Right to Buy)	\$ 1.55	12/28/2007	D			100,000	<u>(3)</u>	08/15/2017	Common Stock	100,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
BREECE LORRAINE M C/O DIGITAL ANGEL CORPORATION 490 VILLAUME AVENUE SOUTH ST. PAUL, MN 55075	Acting Chief Financial Officer

Signatures

/s/ Lorraine M.
Breece 12/28/2007

**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).

(1) 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 9,025 shares of Applied Digital Solutions, Inc. common stock for \$0.48 per share.

(2) 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 14,000 shares of Applied Digital Solutions, Inc. common stock for \$3.11 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 \$1.11 per share.

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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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