

Orchard Enterprises, Inc.
Form 4
August 02, 2010

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 *
PECK NATHAN H JR

(Last) (First) (Middle)

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

(Street)

NEW YORK, NY 10003

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
07/29/2010

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (D) | Price |
| Common Stock | 07/29/2010 | | J | | 29,051 | D | 0 |

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)

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| 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 of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Stock Option (right to buy) | \$ 5.21 | 07/29/2010 | | J | 28,790 | 07/29/2010 07/29/2010 | Common Stock | 28,790 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

PECK NATHAN H JR
 C/O THE ORCHARD ENTERPRISES, INC.
 23 E. 4TH ST., 3RD FLOOR
 NEW YORK, NY 10003

X

Signatures

/s/ Alexis Shapiro for Nathan H. Peck Jr.

08/02/2010

__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).

The shares were disposed of pursuant to the Agreement and Plan of Merger dated as of March 15, 2010, as amended (the "Merger Agreement"), among The Orchard Enterprises, Inc. (the "Company"), Dimensional Associates, LLC ("Dimensional") and Orchard Merger Sub, Inc. ("Merger Sub"), whereby in connection with the merger of Merger Sub with and into the Company, each share of the

(1) Company's common stock (other than shares held by Dimensional and its associates and dissenting shares) was canceled and converted into the right to receive from Dimensional (i) \$2.05 per share in cash and (ii) a contingent right to receive additional cash consideration, under certain circumstances if Dimensional or the Company or any of their affiliates enters into a commitment to sell at least 80% of the Company's voting securities or assets within six months of the consummation of the Merger (collectively, the "Merger Consideration").

The options were disposed of pursuant to the Merger Agreement, whereby in connection with the Merger, each option to purchase the

(2) Company's common stock was canceled and converted into the right to receive from the Company the difference, if positive, between the Merger Consideration and the exercise price of the option.

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.