

GIGA TRONICS INC
Form 4
February 26, 2013

FORM 4

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

OMB APPROVAL

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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 *
ALARA CAPITAL AVI II, LLC

(Last) (First) (Middle)

PARKVIEW TOWER, 1150 FIRST AVENUE, SUITE 600

(Street)

KING OF PRUSSIA, PA 19406

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
GIGA TRONICS INC [GIGA]

3. Date of Earliest Transaction
(Month/Day/Year)
02/25/2013

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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | 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 Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities Acquired (A) or | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|--|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|--|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) Code | V | Disposed of (D) (Instr. 3, 4, and 5) | Date Exercisable | Expiration Date | Title |
|---|------------------------------------|------------------|--------------------|---|---|---------------------|--------------------|---------------------------|
| | | | | | (A) | (D) | | |
| Series C Convertible Voting Perpetual Preferred Stock <u>(1)</u> | <u>(2)</u> | 02/25/2013 | P | | 3,424.65 | 02/25/2013 | <u>(3)</u> | Common Stock (GIGA) |
| Warrant to Purchase Common Stock (right to buy) | \$ 3.3 | 02/25/2013 | J | | 342,465 <u>(4)</u> | 02/07/2012 | 08/07/2014 | Common Stock (GIGA) |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

ALARA CAPITAL AVI II, LLC
PARKVIEW TOWER
1150 FIRST AVENUE, SUITE 600
KING OF PRUSSIA, PA 19406

X

Signatures

By: /s/ Darren C. Wallis, Managing Member, Alara Capital AVI II,
LLC

02/25/2013

__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) Pursuant to the terms of a Securities Purchase Agreement dated February 19, 2013 (the "SPA"), the Reporting Person purchased 3,424.65 shares of Series C Convertible Voting Perpetual Preferred Stock of the Issuer, convertible at any time at the option of the holder into 342,465 shares of common stock of the Issuer, based upon a purchase price of \$1.46000321 per share of common stock (or \$146.000321 per Series C preferred share), subject to customary adjustments.

(2) 1 share of Series C Preferred Stock is convertible into 100 shares of Common Stock.

(3) Perpetual.

(4) In November 2011, the Reporting Person acquired a warrant to purchase 848,684 shares of the Issuer's common stock at the price of \$3.30 per share (the "Warrant"), which became exercisable in full on February 7, 2012. Pursuant to the SPA, the Issuer and the Reporting Person agreed to terminate the Reporting Person's right to acquire 342,465 shares of the 848,684 shares underlying the Warrant. As a result, the Warrant as reissued (the "Amended Warrant") represents the right to acquire 505,219 shares of the Issuer's common stock at the price of \$3.30 per share. The Amended Warrant will expire on August 7, 2014, if and to the extent not exercised earlier.

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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