

Iveda Solutions, Inc.
Form 4
December 10, 2014

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 *
BRILON ROBERT J

(Last) (First) (Middle)

1201 SOUTH ALMA SCHOOL ROAD,, SUITE 8500

(Street)

MESA, AZ 85210

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Iveda Solutions, Inc. [IVDA]

3. Date of Earliest Transaction
(Month/Day/Year)
12/08/2014

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)
President/CFO

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (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 |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|---------------------------------------|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|---------------------------------------|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | | Disposed of (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title |
|-----------------------------------|------------------------------|------------------|------------|---|---|---------|------------------|-----------------|--------------|
| | | | Code | V | (A) | (D) | | | |
| 9.5% Senior Convertible Debenture | \$ 1.5 | 03/09/2014 | H | | | 50,000 | 12/20/2013 | 12/20/2016 | Common Stock |
| 9.5% Senior Convertible Debenture | \$ 1.5 | 03/09/2014 | H | | | 33,333 | 03/04/2014 | 03/04/2017 | Common Stock |
| Series A Preferred Stock | \$ 1 | 12/09/2014 | P | | 125,000 | | 12/09/2014 | <u>(1)(2)</u> | Common Stock |
| Warrant to purchase Common Stock | \$ 1 | 12/09/2014 | P | | 7,576 | | 12/09/2014 | 12/09/2019 | Common Stock |
| Warrant to purchase Common Stock | \$ 1.65 | 12/09/2014 | H | | | 6,818 | 12/20/2013 | 12/20/2018 | Common Stock |
| Warrant to purchase Common Stock | \$ 1.65 | 12/09/2014 | H | | | 4,545 | 03/04/2014 | 03/04/2019 | Common Stock |
| Warrant to purchase Common Stock | \$ 1 | 12/09/2014 | P | | 6,818 | | 12/09/2014 | 12/20/2018 | Common Stock |
| Warrant to purchase Common Stock | \$ 1 | 12/09/2014 | P | | 4,545 | | 12/09/2014 | 03/04/2019 | Common Stock |
| Options (Right to buy) | \$ 1.8 | 12/08/2014 | D | | | 300,000 | 12/01/2013 | 12/01/2023 | Common Stock |
| Options (Right to buy) | \$ 1.7 | 12/08/2014 | D | | | 100,000 | 02/10/2014 | 02/10/2024 | Common Stock |
| Options (Right to buy) | \$ 1.72 | 12/08/2014 | D | | | 100,000 | 05/02/2014 | 05/02/2024 | Common Stock |
| Options (Right to | \$ 1 | 12/08/2014 | A | | 500,000 | | <u>(7)</u> | <u>(8)</u> | Common Stock |

buy)

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------------|-------|
| | Director | 10% Owner | Officer | Other |
| BRILON ROBERT J 1201 SOUTH ALMA SCHOOL ROAD, SUITE 8500 MESA, AZ 85210 | | | President/CFO | |

Signatures

/s/ Gary J. Kocher, by Power of Attorney
12/10/2014

__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) The reporting person purchased 9.5% Senior Convertible Debentures in the principal amounts of \$75,000 and \$50,000, on December 20, 2014 and March 4, 2014, respectively (the "Debentures"). The Debentures were originally due and payable three years after the date of issuance and the principal and unpaid interest thereunder was convertible into shares of Common Stock of the issuer ("Common Stock") at the election of the holder any time prior to the maturity date at a conversion price equal to \$1.50 per share, subject to adjustment upon the occurrence of certain events as provided in the Debentures. (continue with footnote 2)

(2) The terms of the Debentures were subsequently amended effective on December 1, 2014 (the "Debenture Amendment"), and as a result of such amendment, on December 9, 2014, the outstanding principal amount of \$125,000 was converted into shares of Series A Preferred stock of the issuer ("Series A Preferred") at a conversion price equal to \$1.00 per share. The Series A Preferred receive an automatically accruing dividend at a rate of 9.5% per annum and are convertible into shares of Common Stock at the election of the holder at any time, or automatically on June 30, 2017, at a conversion ratio of one share of Common Stock for one share of Series A Preferred, subject to adjustment upon the occurrence of certain events as provided in the Articles of Incorporation of the Company.

(3) In connection with the Debenture Amendment, the reporting person received a warrant to purchase 7,576 shares of Common Stock. The warrant has a term of five years from date of issuance and the exercise price is subject to adjustment upon the occurrence of certain events as provided in the warrant.

(4) In connection with the Debenture Amendment, the exercise price of outstanding warrants to purchase 11,363 shares of Common Stock held by the reporting person was reduced from \$1.65 to \$1.00 per share. The warrants have terms of five years from date of issuance and the exercise price is subject to adjustment upon the occurrence of certain events as provided in the warrants.

(5) The Securities are held in the IRA account of the reporting person.

(6) The reporting person agreed to cancellation of options granted to him on December 1, 2013, February 10, 2014 and May 2, 2014 in exchange for new options having a lower exercise price of \$1.00 per share.

(7) The options subject to this grant vested 100% on the date of the grant.

(8) The options subject to this grant maintain the expiration dates of the options for which they were exchanged: 300,000 options subject to this grant expire on December 1, 2023; 100,000 options subject to this grant expire on February 10, 2024 and 100,000 options subject to this grant expire on May 2, 2024.

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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