

ARGYLE SECURITY, INC.
Form 4
June 05, 2009

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 *
MEZZANINE MANAGEMENT LTD

2. Issuer Name and Ticker or Trading Symbol
ARGYLE SECURITY, INC.
[ARGL.OB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

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

CENTURY HOUSE, 16 PAR LA VILLE ROAD

06/03/2009

(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
X Form filed by More than One Reporting Person

HAMILTON, D0

(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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 06/03/2009 | | P | | 151,000 | A | \$ 0.9877 (1) |
| Common Stock | 06/04/2009 | | P | | 20,000 | A | \$ 0.9988 (3) |
| Common Stock | 06/05/2009 | | P | | 86,500 | A | \$ 1 5,268,300 (5) |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(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 (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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| MEZZANINE MANAGEMENT LTD CENTURY HOUSE, 16 PAR LA VILLE ROAD HAMILTON, D0 | | X | | |
| MEZZANINE MANAGEMENT FUND IV COINVEST A L.P. CENTURY HOUSE, 16 PAR LA VILLE ROAD HAMILTON, D0 | | X | | |
| MEZZANINE MANAGEMENT FUND IV A CENTURY HOUSE, 16 PAR LA VILLE ROAD HAMILTON, D0 | | X | | |

Signatures

/s/ Christopher C. Morris
06/05/2009
**Signature of Reporting Person Date

/s/ Christopher C. Morris
06/05/2009
**Signature of Reporting Person Date

/s/ Christopher C.
Morris

06/05/2009

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) Reflects the weighted average price of 151,000 shares of common stock of the Issuer purchased by the reporting persons in multiple transactions on June 3, 2009 with the purchase price ranging from \$0.94 to \$1.00 per share. The reporting persons undertake to provide upon request by the Staff of the U.S. Securities and Exchange Commission, the Issuer, or a security holder of the Issuer, full information regarding the number of shares purchased at each separate price.

(2) Includes (i) 1,875,000 shares of common stock, subject to adjustment for certain anti-dilution protection, issuable upon conversion of Series A Preferred Stock and (ii) 2,727,300 shares of common stock, subject to adjustment for certain anti-dilution protection, issuable upon conversion of Series B Preferred Stock. The shares of common stock are beneficially owned by the reporting persons through a "group" for purposes of Section 13D of the Exchange Act. The group is composed of the following entities and individuals: Mezzanine Management Fund IV A, L.P. ("Fund IV"), Mezzanine Management Fund IV Coinvest A, L.P. ("Coinvest"), and Mezzanine Management Limited ("Mezzanine"). Fund IV shares voting and dispositive power over 5,092,100 of the shares. Coinvest A shares voting and dispositive power over 69,700 of the shares. Mezzanine has voting and dispositive power over all 5,161,800 shares.

(3) Reflects the weighted average price of 20,000 shares of common stock of the Issuer purchased by the reporting persons in multiple transactions on June 4, 2009 with the purchase price ranging from \$0.95 to \$1.00 per share. The reporting persons undertake to provide upon request by the Staff of the U.S. Securities and Exchange Commission, the Issuer, or a security holder of the Issuer, full information regarding the number of shares purchased at each separate price.

(4) Includes (i) 1,875,000 shares of common stock, subject to adjustment for certain anti-dilution protection, issuable upon conversion of Series A Preferred Stock and (ii) 2,727,300 shares of common stock, subject to adjustment for certain anti-dilution protection, issuable upon conversion of Series B Preferred Stock. The shares of common stock are beneficially owned by the reporting persons through a "group" for purposes of Section 13D of the Exchange Act. The group is composed of the following entities and individuals: Fund IV, Coinvest, and Mezzanine. Fund IV shares voting and dispositive power over 5,112,100 of the shares. Coinvest A shares voting and dispositive power over 69,700 of the shares. Mezzanine has voting and dispositive power over all 5,181,800 shares.

(5) Includes (i) 1,875,000 shares of common stock, subject to adjustment for certain anti-dilution protection, issuable upon conversion of Series A Preferred Stock and (ii) 2,727,300 shares of common stock, subject to adjustment for certain anti-dilution protection, issuable upon conversion of Series B Preferred Stock. The shares of common stock are beneficially owned by the reporting persons through a "group" for purposes of Section 13D of the Exchange Act. The group is composed of the following entities and individuals: Fund IV, Coinvest, and Mezzanine. Fund IV shares voting and dispositive power over 5,198,600 of the shares. Coinvest A shares voting and dispositive power over 69,700 of the shares. Mezzanine has voting and dispositive power over all 5,268,300 shares.

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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