

DIGITAL ALLY INC  
Form SC 13D  
May 27, 2016

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

Under the Securities Exchange Act of 1934

**DIGITAL ALLY, INC.**

(Name of Issuer)

Common Stock

(Title of Class of Securities)

J5382P109

(CUSIP Number)

Christian J. Hoffmann, III

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Securities Counsel

Digital Ally, Inc.

9705 Loiret Blvd.

Lenexa, KS 66219

(913) 814-7774

(Name, Address and Telephone Number of Person Authorized to  
Receive Notices and Communications)

May 12, 2016

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. [ ]

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a Reporting Person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).



**SCHEDULE 13D**

CUSIP No. 25382P208

1. Names of Reporting Persons.

I.R.S. Identification Nos. of above persons (entities only).

Thomas J. Heckman

2. Check the Appropriate Box is a Member of a Group (See Instructions)

(a)

(b)

3. SEC Use Only

4. Source of Funds (See Instructions)

PF

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

US

|               |                              |          |
|---------------|------------------------------|----------|
| Number of     | 7. Sole Voting Power         | 357,688* |
| Shares        |                              |          |
| Beneficially  | 8. Shared Voting Power       |          |
| Owned by Each |                              |          |
| Reporting     | 9. Sole Dispositive Power    | 315,985* |
| Person With   |                              |          |
|               | 10. Shared Dispositive Power |          |

11. Aggregate Amount Beneficially Owned by Each Reporting Person

367,688\*

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

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13. Percent of Class Represented by Amount in Row (11) 6.7%

14. Type of Reporting Person (See Instructions) IN

\*See Response to Item 5 below.

Item 1. Security and Issuer

The title of the class of equity security to which this statement relates is common stock, \$0.001 par value. The reporting person beneficially owns 320,188 shares of common stock and options exercisable to acquire 37,500 shares of common stock. Certain of the shares of common stock are subject to vesting provisions.

The issuer of the securities is Digital Ally, Inc. (the "Issuer"). The Issuer's principal executive offices are located at 9705 Loiret Blvd., Lenexa, KS 66219.

Item 4. Purpose of Transaction

This Schedule 13D is being filed to report the beneficial stock ownership of the reporting person to reflect a grant of 65,000 shares of restricted common stock to the reporting person on May 12, 2016. This grant along with earlier grants of restricted common stock, a portion of which has vested, caused the reporting person's beneficial ownership to exceed 5%. See Item 5(c) below. The information supplied in this Schedule 13D is provided as of May 27, 2016.

Item 5. Interest in Securities of the Issuer

(a) The reporting person beneficially owns 357,688 shares of common stock, including 320,188 shares of common stock and options exercisable to purchase 37,500 shares of common stock. The 320,188 shares of common stock include 41,703 shares of common stock held in the Issuer's 401(k) Plan at December 31, 2015 as to which the reporting person has the voting power as trustee of the 401(k) Plan. The beneficial ownership of 357,688 shares would represent 6.7% of the issued and outstanding common stock of the Issuer. As of the date of this Schedule 13D, a total of 150,000 shares of restricted common stock included in the foregoing totals is subject to vesting restrictions as set forth in paragraph (c) below. The reporting person has the power to vote these shares even though they are not vested. The reporting person has pledged 101,148 shares of common stock to financial institutions as collateral for personal loans.

(b) The reporting person has the sole power to vote 320,188 shares and the power to dispose of 278,485 shares, assuming that the 150,000 shares subject to vesting provisions in fact vest. The differences in the numbers of shares subject to the power to vote and subject to disposition is due to 41,703 shares held in the Issuer's 401(k) Plan as to which the reporting person has the power to vote as trustee of such Plan, but as to which he does not have the disposition power. If the reporting person exercised his vested options, he would have the sole power to vote and

dispose of an additional 37,500 shares. The reporting person will be able to vote the shares of common stock underlying the options only if he exercises the options.

(c) On May 12, 2016 the Issuer awarded the reporting person 65,000 shares of restricted common stock. These shares vest one half on May 11, 2017 and one half on May 11, 2018, provided the reporting person remains an officer of the Issuer on each date. An additional 50,000 shares of restricted stock granted in 2015 and 35,000 shares granted in 2016 prior to May 12, 2016 are subject vesting provisions in subsequent periods, provided in all cases that the reporting person remains an officer of the Issuer.

(d) No person is known to the reporting person to have any right to receive, or power to direct the receipt of, dividends from or the proceeds from the sale of any of the securities covered by this statement, except as provided herein.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: May 27, 2016 By: */s/ Thomas J. Heckman*

Thomas J. Heckman, Chief Financial Officer, Treasurer and Secretary

Digital Ally, Inc.



