

BROADCASTER INC
Form 4
September 28, 2006

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 *
GALLOWAY BRUCE

(Last) (First) (Middle)

C/O GALLOWAY CAPITAL MANAGEMENT, LLC, 750 FIFTH AVENUE, 10TH FLOOR

(Street)

NEW YORK, NY 10019

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
BROADCASTER INC [BCSR]

3. Date of Earliest Transaction (Month/Day/Year)
12/12/2005

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (D) | Price |
| IMSI Common Stock | | | | | 217,000 | D | |
| IMSI Common Stock | | | | | 41,500 | I | Owned by Sara Galloway, wife |
| IMSI Common Stock | 08/01/2006 | | J | | \$ 253,750 | A | 1.35 678,650 |
| | | | | | | I | See footnote (1) |

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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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount Number of Shares |
| IMSI | \$ 0.9 | 12/12/2005 | 12/12/2005 | A | 100,000 | 12/12/2006 12/12/2015 | IMSI Common Stock 100,000 |
| IMSI | \$ 1.9 | 05/23/2006 | 05/23/2006 | A | 65,000 | (2) 05/23/2006 | IMSI Common Stock 65,000 |
| IMSI | \$ 1.88 | 06/01/2006 | 06/01/2006 | A | 10,000 | (2) 06/01/2016 | IMSI Common Stock 10,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| GALLOWAY BRUCE C/O GALLOWAY CAPITAL MANAGEMENT, LLC 750 FIFTH AVENUE, 10TH FLOOR NEW YORK, NY 10019 | X | | | |

Signatures

/s/ Bruce Galloway 09/27/2006

**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)

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Bruce Galloway is a managing member of the General Partner of the entity which owns these shares. The entity acquired shares of Common Stock through the transfer of these shares from a limited partner in exchange for a limited partnership interest in the entity valued at the price noted in Table I, Column 4.

(2) Options vest quarterly over 1 year from grant date.

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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