

L-1 IDENTITY SOLUTIONS, INC.
Form 10-K/A
July 02, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
Amendment No. 1

b

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from to .

Commission File Number 001-33002

L-1 IDENTITY SOLUTIONS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

02-0807887
(I.R.S. Employer
Identification No.)

177 Broad Street, 12th Floor, Stamford, CT
(Address of principal executive offices)

06901
(Zip Code)

Registrant's telephone number, including area code: (203)-504-1100

Securities registered pursuant to Section 12(b) of the Act: Common Stock \$.001 par value NYSE

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by a check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by a check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was

required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference into Part III of this Form 10-K or any amendment to this Form 10-K. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by a check mark whether the Registrant is a shell Company (as defined in Rule 12b-2).
 Yes No

The aggregate market value of the voting stock held by non-affiliates of the registrant as of June 30, 2009, was approximately \$579.6 million.

As of February 25, 2010, the registrant had 92,266,210 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information contained in the Proxy Statement for the 2010 Annual Meeting of Stockholders of the registrant is incorporated by reference into Part III of this Form 10-K.



EXPLANATORY NOTE

This Amendment No. 1 to the Annual Report on Form 10-K/A for the fiscal year ended December 31, 2009 of L-1 Identity Solutions, Inc. (the “Company”) is being filed solely to furnish the information required by Item 201(d) of Regulation S-K, Equity Compensation Plan Information, in the specified tabular format in Part II, Item 5: Market for the Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2009 which was filed with the U.S. Securities and Exchange Commission on February 26, 2010 (the “Original Filing”).

Pursuant to Rule 12b-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), this Amendment No. 1 amends Item 5 in its entirety solely to provide the required Equity Compensation Plan Information in the specified tabular format and contains new certifications pursuant to Rules 13a-14(a) or 15d-14(a) under the Exchange Act and Section 302 of the Sarbanes-Oxley Act of 2002.

Other than the amendment of Item 5 of the Original Filing to provide the required Equity Compensation Plan Information in the specified tabular format and the inclusion of new certifications pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act and Section 302 of the Sarbanes-Oxley Act of 2002, no other changes or amendments to the Original Filing are being made.

This Amendment No. 1 contains only the sections and exhibits to the Original Filing that are being amended, and those unaffected parts or exhibits are not included herein. This Amendment No. 1 continues to speak as of the date of the Original Filing and the Company has not updated the disclosure contained herein to reflect events that have occurred since the date of the Original Filing. Accordingly, this Amendment No. 1 should be read in conjunction with the Company’s other filings made with the Securities and Exchange Commission, and is subject to updating and supplementing as provided in the periodic reports that the Company has filed and will file after the date of the Original Filing with the Securities and Exchange Commission.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

MARKET FOR L-1 COMMON STOCK

L-1 common stock is traded on the New York Stock Exchange under the symbol “ID.” As of February 25, 2010, there were 801 holders of record of L-1 common stock.

The quarterly high and low sales prices, as reported by the New York Stock Exchange or NASDAQ, as applicable, of L-1 common stock during 2009 and 2008 were as follows:

Quarter	2009		2008	
	High	Low	High	Low
First Quarter	\$ 8.16	\$ 3.23	\$ 18.54	\$ 10.66
Second Quarter	\$ 9.50	\$ 4.93	\$ 16.02	\$ 12.77
Third Quarter	\$ 8.64	\$ 6.74	\$ 17.22	\$ 11.66
Fourth Quarter	\$ 7.90	\$ 5.67	\$ 15.28	\$ 4.33

DIVIDEND POLICY

L-1 paid no dividends in 2009 or 2008. L-1 presently intends to retain its cash for use in the operation and expansion of business and, therefore, does not anticipate paying any cash dividends in the foreseeable future. In addition, L-1 is prohibited from paying dividends pursuant to its credit agreement with Bank of America, N.A.

RECENT SALES OF UNREGISTERED SECURITIES

None.

REPURCHASES OF COMMON STOCK

None.

STOCK PERFORMANCE CHARTS

The following performance chart assumes an investment of \$100 on December 31, 2004 and compares the change through December 31, 2009 in the market price for L-1 common stock with the Russell 2000 Index, the NASDAQ Composite Index, and a peer group identified by the Company (the "Selected Peer Group Index"). The Selected Comparative Group Index was selected to include publicly-traded companies engaging in one or more of the Company's lines of business.

The Selected Comparative Group Index is weighted according to the respective issuer's stock market capitalization and is comprised of the following companies: CACI International, Inc., Cogent, Inc., LaserCard Corporation, AcitvIdentity Corporation, Bio-Key International and ImageWare Systems, Inc.

The comparisons in the graphs below are based on historical data and are not intended to forecast the possible future performance of L-1's common stock.

STOCK PERFORMANCE CHART

The following chart supplements the stock performance chart to show the stock performance from October 5, 2005, the day prior that Aston Capital Partners LP announced its investment in L-1, through December 31, 2009 since during this period the Company underwent significant changes in operations and capital structure, including the issuance of \$100 million of common stock to Aston, the merger with Identix and acquisitions of IBT, SecuriMetrics, Iridian, SpecTal, ComnetiX, ACI, McClendon, Bioscript and Digimarc as well as significant changes in the Board of Directors and management.

SUPPLEMENTAL STOCK PERFORMANCE CHART

EQUITY COMPENSATION PLAN INFORMATION (1)

Information about our equity compensation plans as of December 31, 2009 is as follows:

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted Average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	3,754,346	\$ 12.5631	1,595,286(2)
Equity compensation plans not approved by security holders(3)	2,325,173	\$ 16.1515	0
Total	6,079,519	\$ 13.9355	1,595,286

(1)The following plans were assumed by the Company in connection with acquisitions: Bioscript Inc. Primary Stock Option Plan; Bioscript Inc. A4Vision Plan; Identix Incorporated 1995 Equity Incentive Plan; Identix Incorporated 2000 New Employee Stock Incentive Plan; Identix Incorporated Non-Employee Directors Stock Option Plan; Imaging Automation, Inc. 1996 Stock Option Plan; Imaging Automation, Inc. 2003 Employee, Director And Consultant Stock Plan; Visionics Corporation 1990 Stock Option Plan; Visionics Corporation 1998 Stock Option Plan; and Visionics Corporation Stock Incentive Plan. As of December 31, 2009, 2,012,133 shares of Company common stock were issuable upon the exercise of outstanding stock options under these plans at a weighted average price of \$12.4334. No subsequent grants will be made under these plans. Information regarding options outstanding under acquired Company plans is not included in the above table.

(2)Under the L-1 Identity Solutions, Inc. Amended and Restated 2006 Employee Stock Purchase Plan, 1,595,286 shares remain available for purchase under the plan and no shares are subject to purchase during the current purchase period.

(3)In February 2002, the board of Identix adopted the Identix Incorporated 2002 Equity Incentive Plan (the "Identix Plan") and in June 2002 the shareholders of Identix approved the Identix Plan. The Identix Plan authorized employees, directors and consultants to receive up to 5,800,000 shares of common stock. In August 2006, Viisage merged with Identix and the Identix Plan was assumed pursuant to the terms of the merger. Following the merger, employees, directors and consultants of Identix were eligible to receive additional grants under the Identix Plan and outstanding awards under the Identix Plan continued to be exercisable upon the same terms and conditions (after giving effect to any acceleration of vesting resulting from the merger); provided, however, that (i) each such option thereafter was exercisable for a number of shares of the Company's common stock (rounded down to the nearest whole share) equal to the product obtained from multiplying the number of shares of common stock of Identix

subject to such option by 0.473, and (ii) the exercise price per share of the Company's common stock was to equal the quotient obtained from dividing the exercise price per share of common stock of Identix subject to such option in effect immediately prior to the merger by 0.473 (rounded up to the nearest whole cent).

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on the 2nd day of July, 2010.

L-1 IDENTITY SOLUTIONS, INC.

/s/ James A. DePalma
James A. DePalma
Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit Number	Description
31.1	Certification pursuant to Exchange Act Rules 13a-14(a) and 15d-14 of the Chief Executive Officer.
31.2	Certification pursuant to Exchange Act Rules 13a-14(a) and 15d-14 of the Chief Financial Officer.