

Marathon Patent Group, Inc.
Form 4
May 05, 2014

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 *
Spangenberg Audrey

2. Issuer Name and Ticker or Trading Symbol
Marathon Patent Group, Inc.
[MARA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
05/02/2014

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

2515 MCKINNEY AVENUE,
SUITE 1000-B

(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
 Form filed by More than One Reporting Person

DALLAS, TX 75201

(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 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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction | 5. Number of Derivative | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities |
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|---|--|
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|---|--|

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 Series B Convertible Preferred Stock is convertible into common stock at any time on a one-for-one basis, and has no expiration date.
- The shares of Series B Preferred Stock were acquired by TechDev Holdings, LLC ("TechDev") in consideration for the sale of the membership interests of Dynamic Advances, LLC pursuant to that certain Purchase Agreement entered into by the Issuer and TechDev, among other parties, on May 2, 2014 (as more fully described on the Form 8-K filed by the Issuer on May 5, 2014). The estimated fair market value of Dynamic Advances, LLC is approximately \$7.0 million based on the amount of cash paid and the market value of the common stock underlying the preferred stock without any deduction for the restrictions on sale related to the shares and the limitations imposed by the blocker, and without attributing any value to the earn out.
- (2)
- Represents shares held directly by TechDev Holdings, LLC (f/k/a Plutus IP, LLC) ("TechDev"). Acclaim Financial Group, LLC ("AFG") is the sole member of TechDev. Accordingly, AFG may be deemed to beneficially own all of the shares that are owned by TechDev. Audrey Spangenberg is the sole managing member of AFG, and accordingly may be deemed to beneficially own all of the shares that are owned by TechDev. Ms. Spangenberg disclaims beneficial ownership of these securities except to the extent of her pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission that Ms. Spangenberg is the beneficial owner of these securities for the purpose of Section 16 or for any other purpose. Erich Spangenberg, the spouse of Audrey Spangenberg, may be deemed to beneficially own all of the shares that are owned by Audrey Spangenberg.
- (3)
- (continued from footnote 3) Mr. Spangenberg disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission that Mr. Spangenberg is the beneficial owner of these securities for the purpose of Section 16 or for any other purpose.
- (4)
- The shares of Series B Preferred Stock were acquired by Granicus IP, LLC ("Granicus") in consideration for the sale of the membership interests of IP Liquidity Ventures, LLC pursuant to that certain Purchase Agreement entered into by the Issuer and Granicus, among other parties, on May 2, 2014 (as more fully described on the Form 8-K filed by the Issuer on May 5, 2014). The estimated fair market value of IP Liquidity Ventures, LLC is approximately \$7.0 million based on the amount of cash paid and the market value of the common stock underlying the preferred stock without any deduction for the restrictions on sale related to the shares and the limitations imposed by the blocker, and without attributing any value to the earn out.
- (5)
- Represents shares held directly by Granicus. Erich Spangenberg owns 99% of the membership interests of Granicus. Accordingly, Erich Spangenberg may be deemed to beneficially own all of the shares that are owned by Granicus. Mr. Spangenberg disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission that Mr. Spangenberg is the beneficial owner of these securities for the purpose of Section 16 or for any other purpose. Audrey Spangenberg, the spouse of Erich Spangenberg, may be deemed to beneficially own all of the shares that are owned by Erich Spangenberg.
- (6)
- (continued from footnote 6) Ms. Spangenberg disclaims beneficial ownership of these securities except to the extent of her pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission that Ms. Spangenberg is the beneficial owner of these securities for the purpose of Section 16 or for any other purpose.
- (7)
- The Certificate of Designations, Preferences and Rights of the Series B Convertible Preferred Stock contains a provision preventing the conversion of the Series B Preferred if, as a result of such conversion, the Reporting Person would beneficially own, together with all other shares of Common Stock beneficially owned by the Reporting Person, in excess of 9.99% of the Issuer's Common Stock issued and outstanding.
- (8)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.