

ANGIODYNAMICS INC
Form SC 13D
January 23, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No. _____)***

ANGIODYNAMICS, INC.
(Name of Issuer)

Common Stock, \$.01 par value per share
(Title of Class of Securities)

03457V101
(CUSIP Number)

Linda B. Stern
23 I.U. Willets Road
Old Westbury, New York 11568
(516) 997-0468
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

(Copy to)
Scott M. Tayne, Esq.
Davies Ward Phillips & Vineberg LLP
625 Madison Ave, 12th Floor, New York, NY 10022
(212) 308-8866

January 13, 2006
(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 sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. o

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

CUSIP No. 03457V 10 1

1. NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
Estate of Howard S. Stern. EIN: 26-6028365

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)
 (b)

3. SEC USE ONLY

4. SOURCE OF FUNDS (See Instructions)
Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION
New York State

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	7.	SOLE VOTING POWER	0
	8.	SHARED VOTING POWER	1,749,584
	9.	SOLE DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 1,749,584 **10. SHARED DISPOSITIVE POWER** 1,749,584

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 14.0%

14. TYPE OF REPORTING PERSON
 00

CUSIP No. 03457V 10 1

1. NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
Linda B. Stern.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)
 (b)

3. SEC USE ONLY

4. SOURCE OF FUNDS (See Instructions)
 Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION
United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	7.	SOLE VOTING POWER	0
	8.	SHARED VOTING POWER	1,749,584
	9.	SOLE DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
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10. SHARED DISPOSITIVE POWER 1,749,584

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 14.0%

14. TYPE OF REPORTING PERSON
 IN

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Item 1. Security and Issuer.

This statement on Schedule 13D relates to the common stock, par value \$0.01 per share (the *AngioDynamics Common Stock*), of *AngioDynamics, Inc.* (*AngioDynamics*), a Delaware corporation with its principal executive offices at 603 Queensbury Avenue, Queensbury, New York 12804.

Item 2. Identity and Background.

- (a) This Schedule 13D is being filed by the Estate of Howard S. Stern (the *H. Stern Estate*) and Linda B. Stern (*Linda Stern* or *Mrs. Stern*), a natural person.
- (b) The address of the H. Stern Estate and Linda B. Stern is 23 I.U. Willets Road, Old Westbury, New York 11568.
- (c) Linda Stern's present principal occupation is a homemaker.
- (d) During the past five years, Linda Stern has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).
- (e) During the past five years, Linda Stern has not been a party to any civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which she was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws, or finding any violation with respect to such laws.
- (f) Linda Stern is a United States citizen, and the H. Stern Estate is governed by the laws of the State of New York.

Item 3. Source and Amount of Funds or Other Consideration.

Howard S. Stern (*Howard Stern* or *Mr. Stern*) died on December 28, 2005. At the time of his death, Mr. Stern beneficially owned 1,749,584 shares of *AngioDynamics Common Stock*, including options for 101,897 shares. Mr. Stern obtained these shares and some of the options in October, 2004, in connection with the distribution by E-Z-EM, Inc. to its stockholders of all of the *AngioDynamics Common Stock* that it owned and received the other options as a director of *AngioDynamics*. On January 13, 2006, the Nassau County Surrogate's Court issued Letters Testamentary appointing Linda Stern, Mr. Stern's wife, the executor of the H. Stern Estate under the last will and testament of Howard Stern (the *H. Stern Will*). Under the *H. Stern Will*, Mrs. Stern is a discretionary beneficiary of a credit shelter trust, the sole lifetime beneficiary of a QTIP trust, which is the beneficiary of one-half of Mr. Stern's residuary estate, and the direct outright beneficiary of the other half of the residuary estate. She is also a co-trustee of the two trusts. Substantially all of the shares of *AngioDynamics Common Stock* owned by the H. Stern Estate will pass into Mr. Stern's residuary estate.

Item 4. Purpose of Transaction

The disclosure set forth in Item 3. is incorporated by reference into this Item 4.

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Linda Stern currently intends to make open market sales of AngioDynamics Common Stock on The Nasdaq Stock Market for the account of the H. Stern Estate to pay estate administration expenses and her living expenses pending distribution of the assets of the H. Stern Estate to the beneficiaries. Upon distribution of shares of AngioDynamics Common Stock to her outright as a beneficiary of one-half of the residuary estate under the H. Stern Will, Mrs. Stern expects to make additional open market sales of AngioDynamics Common Stock to provide for living expenses and to diversify her investment portfolio. Some of such sales may be made under a trading plan she may adopt pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934. Further, Mrs. Stern may make gifts of AngioDynamics Common Stock to family members and charitable institutions.

Mrs. Stern may also acquire additional shares of AngioDynamics Common Stock, dispose of additional shares of AngioDynamics Common Stock and/or enter into privately negotiated derivative transactions with institutional counterparties to hedge the market risk of some or all of her or the H. Stern Estate's positions in the AngioDynamics Common Stock. Any such transactions may be effected at any time and from time to time subject to any applicable limitations of the federal securities laws.

Additionally, Linda Stern expects to evaluate on an ongoing basis AngioDynamics' financial condition, business operations and prospects, the market price of the AngioDynamics Common Stock, conditions in securities markets generally, general economic and industry conditions and other factors. In furtherance thereof, Mrs. Stern may hold discussions with management of AngioDynamics in which she may suggest or take a position with respect to potential changes in the operations, management or capital structure of AngioDynamics as a means of enhancing shareholder value. Such suggestions or positions may relate to one or more of the transactions described in Item 4(a) through (j) of Schedule 13D under Rule 13d-1(a), including, without limitation, such matters as suggesting candidates for nomination as directors; disposing of one or more businesses; selling AngioDynamics or acquiring another company or business; adopting, not adopting, modifying, or eliminating certain types of anti-takeover measures; restructuring AngioDynamics' capitalization; and reviewing dividend policies. Accordingly, Mrs. Stern reserves the right to change her plans and intentions at any time, as she deems appropriate.

As of the date of filing of this statement, Linda Stern has no other plan or proposal that relates to or would result in any of the actions set forth in parts (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

- (a) The H. Stern Estate beneficially owns 1,749,584 shares of AngioDynamics Common Stock, which include an aggregate of 101,897 shares subject to options that became immediately exercisable in full upon Mr. Stern's death. The number of shares, exercise prices and expiration dates of the options are as follows:

<u>No. of Shares</u>	<u>Exercise Price per Share</u>	<u>Expiration Date</u>
86,773	\$ 4.35	12/28/06
781	\$ 4.40	6/28/06
781	\$ 4.72	6/28/06

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<u>No. of Shares</u>	<u>Exercise Price per Share</u>	<u>Expiration Date</u>
1,562	\$ 9.80	5/29/06 (781 shares) 6/28/06 (781 shares)
6,000	\$13.18	12/28/06
6,000	\$24.21	12/28/06

As executor of the H. Stern Estate, Linda Stern is deemed to share beneficial ownership of all of the shares of AngioDynamics Common Stock owned by the H. Stern Estate. Such shares represent 14.0% of the outstanding shares of AngioDynamics Common Stock, based on 12,494,803 shares, inclusive of the options set forth in the above table, outstanding as of January 17, 2006.

- (b) The H. Stern Estate and Mrs. Stern share the voting and dispositive rights with respect to the shares of AngioDynamics Common Stock beneficially owned by them.
- (c) Except for the transactions described in Items 3 and 4 herein, which descriptions are incorporated by reference into this Item 5(c), neither the H. Stern Estate nor Linda Stern have engaged in any transactions in the AngioDynamics Common Stock during the past 60 days.
- (d) Not Applicable.
- (e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

As of December 28, 2005, Howard S. Stern held options to acquire an aggregate of 101,897 shares of AngioDynamics Common Stock granted under the AngioDynamics 1997 Stock Option Plan, the AngioDynamics, Inc. Spin-off Adjustment Stock Option Plan for Certain Participants in the E-Z-EM Inc. 1984 Directors and Consultants Stock Option Plan, and the AngioDynamics 2004 Stock and Incentive Award Plan. All of the options became exercisable in full immediately following Mr. Stern's death on December 28, 2005. The terms of the options are described in Item 5(a), above, which description is incorporated by reference into this Item 6.

Item 7. Material to be Filed as Exhibits.

- 10.1 AngioDynamics 1997 Stock Option Plan (incorporated by reference to Exhibit 10.2 to the Registration Statement on Form S-1 (Reg. No. 333-113329) of AngioDynamics, Inc.).
- 10.2 Form of Option Agreement under the AngioDynamics 1997 Stock Option Plan (incorporated by reference to Exhibit 10.2 to the statement on Schedule 13D filed by Howard S. Stern on October 21, 2004).
- 10.3 AngioDynamics, Inc. Spin-Off Adjustment Stock Option Plan for Certain Participants in the E-Z-EM, Inc. 1984 Directors and Consultants Stock Option

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Plan (incorporated by reference to Exhibit 10.23 to the Annual Report on Form 10-K for AngioDynamics, Inc. for the fiscal year ended May 29, 2004.)

- 10.4 Form of Non-Qualified Stock Option Agreement (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K for AngioDynamics, Inc. filed on November 4, 2004.)
- 10.5 AngioDynamics 2004 Stock and Incentive Award Plan (incorporated by reference to exhibit 10.18 to the registration statement on Form S-1, Commission File No. 333-113329) filed by AngioDynamics, Inc.)
- 10.6 Form of Non-Statutory Stock Option Agreement (incorporated by reference to exhibit 10.1 to the Quarterly Report on Form 10-Q for the quarterly period ended August 28, 2004, of AngioDynamics, Inc.)
- 10.7 Joint Filing Agreement.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, the undersigned hereby certifies that the information contained in this statement is true, complete and correct.

Dated: January 23, 2006.

Estate of Howard S. Stern

By: /s/ Linda B. Stern
Name: Linda B. Stern
Title: Executor

/s/ Linda B. Stern
Linda B. Stern