

Orchard Enterprises, Inc.  
Form 4  
June 06, 2008

**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 \*  
DONAHUE MICHAEL J

(Last) (First) (Middle)

C/O THE ORCHARD ENTERPRISES, INC., 100 PARK AVENUE, 2ND FLOOR

(Street)

NEW YORK, NY 10017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Orchard Enterprises, Inc. [ORCD]

3. Date of Earliest Transaction  
(Month/Day/Year)  
06/04/2008

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 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.

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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
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 5.21	06/04/2008	A		28,790		(1)	06/04/2018	Common Stock	28,790
Restricted Stock Award	\$ 0	06/04/2008	A		9,596		(1)	(1)	Common Stock	9,596
Restricted Stock Award	\$ 0	06/04/2008	A		3,838		(2)	(2)	Common Stock	3,838

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director    10% Owner    Officer    Other

DONAHUE MICHAEL J  
C/O THE ORCHARD ENTERPRISES, INC.  
100 PARK AVENUE, 2ND FLOOR  
NEW YORK, NY 10017

X

## Signatures

/s/ Stanley H. Schneider for Michael J. Donahue

06/06/2008

\_\_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) These options and restricted stock awards were granted on June 4, 2008 pursuant to the revised Non-Executive Directors' Compensation Program which became effective following the adoption of The Orchard Enterprises, Inc. 2008 Stock Plan by the stockholders at the June 4, 2008 annual stockholders meeting. These options and restricted stock awards vest and become exercisable or receivable as to 1/3 on June 4, 2008 and 1/3 on each of the subsequent two annual meeting dates, provided that the director continues to serve until the time of such future annual meetings. The restricted stock awards have no expiration date.

(2) These restricted stock awards were granted on June 4, 2008 to Mr. Donahue, in his capacity as Chairman of the Board, pursuant to the revised Non-Executive Directors' Compensation Program which became effective following the adoption of The Orchard Enterprises, Inc. 2008 Stock Plan by the stockholders at the June 4, 2008 annual stockholders meeting. These restricted stock awards vest and become exercisable or receivable as to 1/3 on June 4, 2008 and 1/3 on each of the subsequent two annual meeting dates, provided that Mr. Donahue continues to serve on the board until the time of such future annual meetings. The restricted stock awards have no expiration date.

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