

MINDARROW SYSTEMS INC
Form 4
May 04, 2001

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/ OMB APPROVAL /
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| FORM 4 |
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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
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(f) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person*

Webber Robert I.

(Last) (First) (Middle)
c/o MindArrow Systems, Inc. 101 Enterprise, Suite 340

(Street)
Aliso Viejo, CA 92656

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol MindArrow Systems, Inc. (ARRW)

3. I.R.S. Identification Number of Reporting Person, if an entity
(voluntary)

4. Statement for Month/Year May 2001

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)

X Director X Officer ___ 10% Owner ___ Other

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(give title below)

(specify below)

Chief Executive Officer

7. Individual or Joint/Group Filing (Check Applicable Line)

- X 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)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 a
			Code	V	Amount (A) or (D)	

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4(b) (v).

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)	4. Transaction Code (Instr. 8)
Series B Convertible Preferred Stock	1 - for - 1	5/2/01	P

Table II--Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned
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Date Exer- cisable	Expira- tion Date	Title	Amount or Number of Shares	(Instr. 5)	Officially Owned at End of Month (Inst
Immed.		Common Stock	250,000	\$4.00 (1)	250,00

Explanation of Responses:

(1) Pursuant to the terms of a Stock Purchase Agreement, dated May 2, 2001, the purchase price (the "Purchase Price") for the 250,000 shares of Series B Preferred Stock (the "Shares") is the lesser of (i) \$1,000,000 (plus an annual rate of return equal to 5.43%, compounded annually until payment of the Purchase Price) and (ii) all proceeds received by the Reporting Person on account of the Shares. The Reporting Person's obligation to pay the Purchase Price is a non-recourse obligation secured solely by the Shares.

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/ Robert Webber

May 4, 2001

**Signature of Reporting Person
Robert Webber

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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