

MACE SECURITY INTERNATIONAL INC
 Form 4/A
 December 23, 2004

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *
PAOLINO LOUIS D JR

2. Issuer Name and Ticker or Trading Symbol
MACE SECURITY INTERNATIONAL INC [MACE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1000 CRAWFORD PLACE, SUITE 400
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/08/2004

Director 10% Owner
 Officer (give title below) Other (specify below)
 CEO, Chairman & President

MT LAUREL, NJ 08054

4. If Amendment, Date Original Filed(Month/Day/Year)
 12/10/2004

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	(1) (2) (3) (4)
Common Stock	12/08/2004	(1)(2)(3)(4)	J	(1)(2)(3)(4)	1,190,000	(1) (2) (3) (4)	D
						(1) (2) (3) (4)	
						(1) (2) (3) (4)	
						(1) (2) (3) (4)	

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 Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	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 (Instr. 5)	9. Number of Derivative Securities Owned Beneficially (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PAOLINO LOUIS D JR 1000 CRAWFORD PLACE SUITE 400 MT LAUREL, NJ 08054	X	X	CEO, Chairman & President	

Signatures

Louis D. Paolino, Jr. 12/23/2004

__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) This amendment to Mr. Paolino's form 4 filed on December 10, 2004 updates the information included in the original form 4 based upon new information received by Mr. Paolino's litigation counsel.
- On April 21, 2004 Mr. Paolino borrowed \$4,105,500 on a limited non-recourse basis (under certain circumstances the loan was recourse) and secured the loan with a pledge of 1,190,000 shares of Mace Security Internatioanl, Inc. common stock. On November 3, 2004, Mr. Paolino received a notice dated November 2, 2004 from the lender that asserted that (i) Mr. Paolino was in default of the loan, and (ii) the lender would exercise its purported rights under the loan agreements. The lender asserted that its purported rights under the loan agreement include the right to (i) terminate the laon agreement and (ii) take possession of the pledged stock. Mr. Paolino does not believe that the lender was entitled to terminate the loan and take possession of the pledged stock.
- The lender maintains that Mr. Paolino defaulted on the loan by failing to pay an interest payment when due, although Mr. Paolino tendered the interest payment to the lender upon receiving the notice dated November 2, 2004 and the lender accepted the payment. The value of the pledged stock at the close of market on December 8, 2004 was \$5,961,900, which exceeded the loan by \$1,856,400. Mr. Paolino and the lender had agreed to a standstill agreement while negotiating their dispute. The standstill agreement expired on December 8, 2004. During the standstill agreement the Lender had agreed not to sell or otherwise dispose of the pledged shares. Mr. Paolino filed suit against the lender on December 16, 2004 to enjoin the lender from selling the pledged stock and seeking other equitable and legal relief.

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On December 16, 2004, Mr. Paolino was successful in having a Court grant a temporary restraining order, which among other things, enjoined the lender from selling the pledged stock. On December 21, 2004, the lender's litigation counsel first disclosed to Mr. Paolino's litigation counsel that the lender sold the 1,190,000 pledged shares in one or more transactions. Mr. Paolino believes that the terms of the

- (4) Court order against the lender require the lender to provide information about the sales; however, the lender has not yet provided any information regarding the dates on which such sales occurred or the prices at which such sales occurred. In the litigation, Mr. Paolino is seeking all possible relief in law and equity. One remedy that the Court could impose is the resotration of the loan and the return of the 1,190,000 pledged shares.

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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