
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 2)*

Palladyne AI Corp.

(Name of Issuer)

Common Stock, par value \$0.0001 per share

(Title of Class of Securities)

80359A205

(CUSIP Number)

Patrick J. Schultheis
701 Fifth Avenue, Suite 5100
Seattle, WA, 98104
(206) 883-2500

Michael Nordtvedt
(206) 883-2500, Suite 5100
Seattle, WA, 98104
(206) 883-2500

Fraser Smith
650 South 500 West, Suite 150
Salt Lake City, UT, 84101
(888) 927-7296

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

12/26/2024

(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 §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D

CUSIP No. 80359A205

1 Name of reporting person
Dr. Fraser Smith
Check the appropriate box if a member of a Group (See Instructions)

2 (a)
 (b)

3 SEC use only
Source of funds (See Instructions)

4 PF
Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

5

6 Citizenship or place of organization
UNITED STATES
Sole Voting Power
7 1,325,845.00
Number of Shares Beneficially Owned by Each Reporting Person With:
8 Shared Voting Power
9 1,325,845.00
10 Sole Dispositive Power
1,325,845.00
11 Shared Dispositive Power
1,325,845.00
Aggregate amount beneficially owned by each reporting person
1,325,845.00
12 Check if the aggregate amount in Row (11) excludes certain shares (See Instructions)

13 Percent of class represented by amount in Row (11)
4.4 %
Type of Reporting Person (See Instructions)

14 IN

Comment for Type of Reporting Person: This Amendment No. 2 (Amendment No. 2) amends and supplements the prior statement on Schedule 13D as filed on October 4, 2021, as amended by Amendment No. 1 to Schedule 13D filed on December 23, 2024 (as amended, the Schedule 13D). This Amendment No. 2 relates to the beneficial ownership of shares of common stock, par value \$0.0001 per share (the Common Stock) of Palladyne AI Corp. (the Issuer) held by Dr. Fraser Smith (the Reporting Person). This Amendment No. 2 is being voluntarily filed to update the aggregate percentage of Common Stock owned by the Reporting Person caused by sales of Common Stock which collectively resulted in a disposition of nearly one percent (1 percent) of the outstanding shares of Common Stock. Except as otherwise specified in Amendment No. 2, all items in the Schedule 13D are unchanged. All capitalized terms used in this Amendment No. 2 and not otherwise defined herein shall have the meanings ascribed to such terms in the Schedule 13D. As of the date of this Amendment No. 2, and as a result of the transactions reported herein, Dr. Smith no longer holds greater than 5 percent of the Issuer's securities and will therefore cease to be a Reporting Person. The filing of this Amendment No. 2 represents the final amendment to the Schedule 13D and constitutes an exit filing for the Reporting Person.

SCHEDULE 13D

Item 1. Security and Issuer

Title of Class of Securities:

(a) Common Stock, par value \$0.0001 per share

Name of Issuer:

(b) Palladyne AI Corp.

Address of Issuer's Principal Executive Offices:

(c) 650 South 500 West, Suite 150, Salt Lake City, UTAH , 84101.

Item 5. Interest in Securities of the Issuer

As of the date of this Amendment No.2, Dr. Smith beneficially owns an aggregate of 1,325,845 shares of Common Stock, or 4.40%, of the Issuer's outstanding shares of Common Stock, consisting of: * 1,315,503 shares of Common Stock; and * 10,342 shares of Common Stock underlying options exercisable within 60 days of December 30, 2024. Dr. Smith has sole voting and dispositive power over the 1,325,845 shares of Common Stock. The beneficial ownership percentages used in this Schedule are calculated based on the 30,112,399 shares of Common Stock of the Issuer outstanding as of November 6, 2024.

(a) As of the date of this Amendment No.2, Dr. Smith beneficially owns an aggregate of 1,325,845 shares of Common Stock, or 4.40%, of the Issuer's outstanding shares of Common Stock, consisting of: * 1,315,503 shares of Common Stock; and * 10,342 shares of Common Stock underlying options exercisable within 60 days of December 30, 2024. Dr. Smith has sole voting and dispositive power over the 1,325,845 shares of Common Stock. The beneficial ownership percentages used in this Schedule are calculated based on the 30,112,399 shares of Common Stock of the Issuer outstanding as of November 6, 2024.

(b) Except as described in this Item 5(c), Dr. Smith has not effected any transactions in the Common Stock during the past 60 days. Since Amendment No. 1 was filed on December 23, 2024, Dr. Smith has effected the following open market sales of Common Stock during the past 60 days: Transaction Date, Shares Sold, Weighted Average Trading Price Per Share 12/26/2024, 300,000, \$7.3

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dr. Fraser Smith

Signature: /s/Fraser Smith

Name/Title: Fraser Smith

Date: 12/31/2024