

PATHEON INC
Form 4
March 12, 2014

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 *
LYTTON MICHAEL

(Last) (First) (Middle)
4721 EMPEROR BLVD, SUITE 200
(Street)

DURHAM, NC 27703

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
PATHEON INC [PTI]

3. Date of Earliest Transaction
(Month/Day/Year)
03/11/2014

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
EVP Corp Dev & Strategy and GC

6. 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)	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)
				Code V	Amount (A) or (D) Price		
Restricted Voting Shares	03/11/2014		D		379,030 (1) \$ 9.32	0	D

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

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

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (Right to Buy)	\$ 1.88 ⁽²⁾	03/11/2014		D	240,000	<u>(3)</u> (4)	06/14/2021	Restricted Voting Shares	240,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

LYTTON MICHAEL
4721 EMPEROR BLVD
SUITE 200
DURHAM, NC 27703

EVP Corp Dev & Strategy and GC

Signatures

/s/ Susan Downs,
Attorney-in-fact 03/12/2014

 **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) Pursuant to the Arrangement Agreement (the "Agreement") by and between Patheon Inc. and JLL/Delta Patheon Holdings, L.P., dated as of November 18, 2013, on the effective date of the arrangement contemplated by the Agreement (the "Arrangement") each of these Restricted Voting Shares were automatically converted into the right to receive US\$9.32.

(2) The exercise price was converted from Canadian dollars based on the March 10, 2014 closing rate of exchange of 1.1105 Canadian dollars per U.S. dollars as quoted by Reuters. The actual exercise price is the Canadian dollar amount regardless of the exchange rate on the date of exercise.

(3) The option vests in five equal annual installments on June 15, 2012, June 15, 2013, June 15, 2014, June 15, 2015 and June 15, 2016.

(4) This option was cancelled in the Arrangement in exchange for a cash payment equal to the product of (i) the excess of US\$9.32 over the exercise price per share of the option and (ii) the total number of shares underlying the option.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.