

NEPHROS INC
Form 4
April 04, 2017

FORM 4

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

OMB APPROVAL

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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 *
Evans Daron

(Last) (First) (Middle)

C/O NEPHROS, INC., 41 GRAND AVENUE

(Street)

RIVER EDGE, NJ 07661

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
NEPHROS INC [NEPH]

3. Date of Earliest Transaction (Month/Day/Year)
03/31/2017

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)
President and CEO

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) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-------------|---|------------|
| Common Stock | 03/31/2017 | | A | V | 17,756 (1) | A | \$ 0 | 579,417 (2) | D | |
| Common Stock | | | | | | | | 41,666 | I | By UTMA #1 |
| Common Stock | | | | | | | | 41,666 | I | By UTMA #2 |

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

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number.

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. De | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option (Right to Buy) | \$ 0.46 | | | | | <u>(3)</u> | 03/26/2024 | Common Stock | 75,361 |
| Stock Option (Right to Buy) | \$ 0.6 | | | | | <u>(4)</u> | 04/15/2025 | Common Stock | 764,468 |
| Common Stock Warrants (Right to Buy) | \$ 0.3 | | | | | 06/03/2016 | 06/03/2021 | Common Stock | 40,000 |
| Common Stock Warrants (Right to Buy) | \$ 0.3 | | | | | 06/03/2016 | 06/03/2021 | Common Stock | 10,000 |
| Common Stock Warrants (Right to Buy) | \$ 0.3 | | | | | 06/03/2016 | 06/03/2021 | Common Stock | 10,000 |
| Common Stock Warrants (Right to Buy) | \$ 0.3 | | | | | 03/17/2017 | 03/17/2022 | Common Stock | 41,666 |
| Common Stock | \$ 0.3 | | | | | 03/17/2017 | 03/17/2022 | Common Stock | 41,666 |

Warrants
(Right to
Buy)

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Evans Daron C/O NEPHROS, INC. 41 GRAND AVENUE RIVER EDGE, NJ 07661 | X | | President and CEO | |

Signatures

/s/ Daron Evans 04/04/2017

__Signature of Date
Reporting Person

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) On March 31, 2017, the Company granted 17,756 shares of restricted stock (the "Restricted Stock") to the Reporting Person in satisfaction of previously-deferred base salary. The Restricted Stock was granted under the Company's 2015 Equity Incentive Plan. The Restricted Stock vests six months following the grant date.
 - (2) Includes 9,165 shares of restricted stock that vest on June 14, 2017, 213,068 shares of restricted stock that vest on June 23, 2017 and 17,756 shares of restricted stock that vest on September 30, 2017.
 - (3) Fully exercisable.
On 4/15/2015, the Reporting Person was granted an option to purchase up to 2,184,193 shares of common stock of the Company. 35% of the shares subject to the option (relating to a total of 764,468 shares) vest quarterly in 16 equal amounts, commencing on 6/30/2015. 15% of the shares subject to the option will vest, if ever, upon the listing of the Company's common stock on NASDAQ, NYSE, or such other exchange as the Board may later determine. The remaining 50% of the shares subject to the option will vest, if ever, upon the Company's achievement of certain annual revenue milestones as specified in that certain Employment Agreement dated 4/15/2015 between the Reporting Person and the Company.
 - (5) The Reporting Person is a managing director of the LLC that owns the reported securities. The Reporting Person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.

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.