

Vivo Ventures V, LLC
Form 4
August 09, 2018

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
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 *
Vivo Ventures V, LLC

2. Issuer Name and Ticker or Trading Symbol
SOLENO THERAPEUTICS INC
[SLNO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

505 HAMILTON AVENUE, SUITE 207

03/07/2018

(Street)

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

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

___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

PALO ALTO, CA 94301

(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)
			Code	V	Amount or Price (A) or (D)		
Common Stock	03/07/2018		J(3)(4)		53,725 (7) \$ 3.4 (7)	I	See Footnote (1)
Common Stock	03/07/2018		J(3)(4)		632 (7) \$ 3.4 (7)	I	See Footnote (2)
Common Stock	05/14/2018		J(5)(6)		268,629 (7) \$ 3.4 (7)	I	See Footnote (1)
Common	05/14/2018		J(5)(6)		3,163 (7) \$	I	See

Edgar Filing: Vivo Ventures V, LLC - Form 4

Stock 3.4 Footnote
(7) (2)

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. 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 Beneficially Owned Following Reported Transaction (Instr. 3)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Vivo Ventures V, LLC 505 HAMILTON AVENUE, SUITE 207 PALO ALTO, CA 94301		X		
Vivo Ventures V Affiliates Fund, L.P. 575 HIGH STREET, SUITE 201 PALO ALTO, CA 94301		X		
Vivo Ventures Fund V, L.P. 575 HIGH STREET, SUITE 201 PALO ALTO, CA 94301		X		

Signatures

/s/ Frank Kung 08/09/2018
 **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).

The shares are held directly by Vivo Ventures Fund V L.P. ("Vivo Ventures Fund V"). The Reporting Person is the sole general partner of Vivo Ventures Fund V, and may be deemed to beneficially own such securities. The Reporting Person holds voting and dispositive power with respect to the securities held by Vivo Ventures Fund V. Edgar Engleman, Albert Cha and Frank Kung, who are managing members of the Reporting Person and disclaim beneficial ownership of the securities held by Vivo Ventures Fund V, except to the extent of any pecuniary interest therein.

The shares are held directly by Vivo Ventures V Affiliates Fund, L.P. ("Vivo Ventures V Affiliates Fund"). The Reporting Person is the sole general partner of Vivo Ventures V Affiliates Fund, and may be deemed to be beneficially own such securities. The Reporting Person holds voting and dispositive power with respect to the securities held by Vivo Ventures Fund V. Edgar Engleman, Albert Cha and Frank Kung, who are managing members of the Reporting Person and disclaim beneficial ownership of the securities held by Vivo Ventures Fund V, except to the extent of any pecuniary interest therein.

On March 7, 2018, the Reporting Person became entitled to receive the shares pursuant to a "hold-back" provision in the merger agreement dated December 22, 2016, pursuant to which Soleno Therapeutics, Inc. ("Soleno"), acquired all of the outstanding common stock of Essentialis, Inc. ("Essentialis") on March 7, 2017. The merger agreement provided that such shares were to be retained by Soleno and unissued, and to serve as partial security for the indemnification obligations the stockholders of Essentialis, and the shares of Soleno common stock would, for no additional consideration, be issued to the stockholders of Essentialis, subject to any reduction of such shares as a result of satisfying such indemnification obligations. As a result, on the holdback release date of March 7, 2018, the former stockholders of Essentialis, including the Reporting Person, acquired additional shares of Soleno common stock pursuant to the merger agreement.

(Continued from Footnote 3) The number of shares issuable pursuant to the "hold-back" provision was determined on March 7, 2018, pursuant to a formula set forth in the merger agreement which provided that the number of shares issuable would be four percent (4%) of the total shares issuable in the merger by Soleno. The Reporting Person's right to receive additional shares became fixed and irrevocable on March 7, 2017, the effective date of the merger.

On May 14, 2018, the Reporting Person became entitled to receive the shares pursuant to a "milestone earn-out" provision in the merger agreement dated December 22, 2016, pursuant to which Soleno acquired all of the outstanding common stock of Essentialis, Inc. on March 7, 2017. The merger agreement provided that such shares would be issued by Soleno upon the achievement of certain milestone conditions. As a result, on May 14, 2018, the former stockholders of Essentialis, including the Reporting Person, acquired additional shares of Soleno common stock pursuant to the merger agreement. The number of shares issuable pursuant to the "milestone earn-out" provision was determined on May 14, 2018, pursuant to a formula set forth in the merger agreement which provided that the number of shares issuable would be twenty percent (20%) of the total shares issuable in the merger by Soleno.

(Continued from Footnote 5) The Reporting Person's right to receive additional shares became fixed and irrevocable on March 7, 2017, the effective date of the merger.

(7) Share amounts and price are on a post-split basis and reflect the 5:1 reverse stock split effective on October 6, 2017.

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.