

SAPIRSTEIN JAMES

Form 4

November 09, 2012

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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 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 \*  
**SAPIRSTEIN JAMES**

2. Issuer Name **and** Ticker or Trading  
 Symbol  
**Alliqua, Inc. [ALQA.OB]**

5. Relationship of Reporting Person(s) to  
 Issuer

(Check all applicable)

(Last) (First) (Middle)  
**C/O ALLIQUA, INC., 850 THIRD  
 AVENUE, SUITE 1801**

3. Date of Earliest Transaction  
 (Month/Day/Year)  
**11/08/2012**

☒ Director ☐ 10% Owner  
☒ Officer (give title below) ☐ Other (specify below)

Chief Executive Officer

(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  
☐ Form filed by More than One Reporting  
 Person

NEW YORK, NY 10022

(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	(D)	Price

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)						
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Stock Option (right to buy)	\$ 0.1	11/08/2012	A		9,286,408		<u>(1)</u>	11/08/2022	Common Stock	9,286,408
Restricted Stock Units	<u>(2)</u>	11/08/2012	A		3,095,469		<u>(3)</u>	<u>(3)</u>	Common Stock	3,095,469

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SAPIRSTEIN JAMES C/O ALLIQUA, INC. 850 THIRD AVENUE, SUITE 1801 NEW YORK, NY 10022	X		Chief Executive Officer	

## Signatures

/s/ James  
Sapirstein

11/09/2012

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 option vests in three equal annual installments. The first installment becomes exercisable on November 8, 2013, the second installment becomes exercisable on November 8, 2014 and the third installment becomes exercisable on November 8, 2015, provided the
- (1) option becomes exercisable as to any remaining shares immediately on such date that (a) Mr. Sapirstein is terminated by the issuer without Cause (as defined in Mr. Sapirstein's employment agreement with the issuer), (b) Mr. Sapirstein terminates his employment agreement for Good Reason (as defined in the employment agreement), or (c) a change of control of the issuer occurs.
  - (2) Each restricted stock unit represents a contingent right to receive one share of common stock.
- The restricted stock units (RSUs) vest as follows: (a) if and to the extent that the following goals are achieved on or before November 8, 2015: (1) 50% of the RSUs shall vest upon the achievement of a market cap in excess of \$50 million, (2) an additional 25% of the RSUs shall vest upon the achievement of a market cap in excess of \$100 million, and (3) the remaining 25% of the RSUs shall vest upon the
- (3) achievement of a market cap in excess of \$200 million; and (b) immediate vesting of 100% of the then unvested RSUs immediately on such date that (a) Mr. Sapirstein is terminated by the issuer without Cause (as defined in Mr. Sapirstein's employment agreement with the issuer), (b) Mr. Sapirstein terminates his employment agreement for Good Reason (as defined in the employment agreement), or (c) a change of control of the issuer occurs, provided such change in control or termination of service occurs on or before November 8, 2015.

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.