

Capnia, Inc.  
Form 4  
January 13, 2015

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
Phelps Gina

(Last) (First) (Middle)

3 TWIN DOLPHIN DRIVE, SUITE 160

(Street)

REDWOOD CITY, CA 94065

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Capnia, Inc. [CAPN]

3. Date of Earliest Transaction (Month/Day/Year)  
01/11/2015

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)

Vice President of Sales

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) |
|----------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                  |                                      |  |                                | (A) or (D)  | Code V Amount (D) Price   |  |                                   |
| No securities beneficially owned |                                      |  |                                |   | 0   | D  |                                   |

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)**

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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 Security (Instr. 3 and 4) | 8. Title or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|------------------------------|
| Employee Stock Option                      | \$ 1.8   | 01/11/2015                           |  | A                              | 8,111   | 01/11/2016 <sup>(1)(2)</sup> 01/11/2025                  | Common Stock  | 8,111                        |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                         |       |
|--|---------------|-----------|-------------------------|-------|
|  | Director      | 10% Owner | Officer                 | Other |
| Phelps Gina<br>3 TWIN DOLPHIN DRIVE, SUITE 160<br>REDWOOD CITY, CA 94065 |               |           | Vice President of Sales |       |

## Signatures

/s/ David D. O'Toole, As Attorney-in-Fact  
Date: 01/13/2015

\*\*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) Beginning on January 11, 2016, twenty-five percent (25%) of the shares subject to the Option shall vest immediately and one forty-eighth (1/48th) of the remaining shares subject to the Option shall vest monthly thereafter on the same day of the month as the date of grant, subject to Optionee's continuing to be a Service Provider on such dates; provided, however, that in the event that the Optionee's continuous status as a Service Provider is terminated by the Company without Cause (as defined below) within twelve months after a Change of Control (as defined below), 100% of the total number of shares that have not yet vested shall be immediately accelerate and vest immediately prior to such time. (Continued in Footnote 2)
- (2) "Cause" shall mean the Optionee's repeated failure to perform his or her assigned duties or responsibilities as a Service Provider (other than a failure resulting from the Optionee's disability) after notice thereof from the Company describing the Optionee's failure to perform such duties or responsibilities; (ii) the Optionee engaging in any act of dishonesty, fraud or misrepresentation; (iii) the Optionee's violation of any federal or state law or regulation applicable to the business of the Company or its affiliates; (iv) the Optionee's breach of any confidentiality agreement or invention assignment agreement between the Optionee and the Company (or any affiliate of the Company); or (v) the Optionee being convicted of, or entering a plea of nolo contendere to, any crime or committing any act of moral turpitude. "Change of Control" shall have the meaning set forth in the Post-IPO Plan.

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.