METABASIS THERAPEUTICS INC

Form 4

February 02, 2009

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

January 31, 2005

0.5

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if no longer subject to Section 16. Form 4 or

Check this box

Form 5 obligations may continue.

See Instruction

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

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person *

Erion Mark D

(First)

(Middle)

11119 NORTH TORREY PINES **ROAD**

(Street)

LA JOLLA, CA 92037

2. Issuer Name and Ticker or Trading

Symbol

METABASIS THERAPEUTICS INC [MBRX]

3. Date of Earliest Transaction

4. If Amendment, Date Original

(Month/Day/Year)

Filed(Month/Day/Year)

01/29/2009

5. Relationship of Reporting Person(s) to

Issuer

below)

(Check all applicable)

Director 10% Owner X_ Officer (give title Other (specify

Chief Executive Officer

6. Individual or Joint/Group Filing(Check

Applicable Line)

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

(I)

(Instr. 4)

6. Ownership

Form: Direct

7. Nature of

Ownership (Instr. 4)

Indirect

(D) or Indirect Beneficial

5. Amount of

Securities

Owned

Beneficially

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

(City) (State) (Zip)

1. Title of Security (Month/Day/Year) Execution Date, if (Instr. 3)

2. Transaction Date 2A. Deemed

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8)

(Instr. 3, 4 and 5)

Following Reported (A) Transaction(s) or (Instr. 3 and 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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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion 3. Transaction Date 3A. Deemed (Month/Day/Year) Execution Date, if TransactionDerivative Securities

5. Number of

6. Date Exercisable and **Expiration Date**

7. Title and Amour Underlying Securit

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Security (Instr. 3)	or Exercise Price of Derivative		any (Month/Day/Year)	Code (Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)	
	Security			Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amor Numl Share
Stock Option (Right to Buy)	\$ 9.03	01/29/2009		D		75,000	<u>(1)</u>	03/19/2016	Common Stock	75,
Stock Option (Right to Buy)	\$ 7.55	01/29/2009		D		75,000	(3)	03/07/2017	Common Stock	75,
Stock Option (Right to Buy)	\$ 2.1	01/29/2009		D		90,000	<u>(4)</u>	04/02/2018	Common Stock	90,
Stock Option (Right to Buy)	\$ 1	01/29/2009		D	240,000		<u>(5)</u>	01/29/2019	Common Stock	240

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer Other

Erion Mark D

11119 NORTH TORREY PINES ROAD

LA JOLLA, CA 92037

Chief Executive Officer

Signatures

Trisha Millican, by Power of Attorney 02/02/2009

**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) The cancelled option provided for 25% of the shares vesting on the first anniversary of the grant date (3/19/2006), and the remaining shares vesting in equal monthly installments over the following three years.
- Pursuant to the Company's Offer to Exchange Stock Options, on January 29, 2009, the Company cancelled options granted to the reporting person in exchange for new options equal to the number of shares under the cancelled options.
- (3) The cancelled option provided for 25% of the shares vesting on the first anniversary of the grant date (3/7/2007), and the remaining shares vesting in equal monthly installments over the following three years.

(4)

Reporting Owners 2

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The cancelled option provided for 25% of the shares vesting on the first anniversary of the grant date (4/2/2008), and the remaining shares vesting in equal monthly installments over the following three years.

(5) The option provides for 25% of the shares to vest six months from the grant date (1/29/09) and the remaining 75% of the shares to vest in equal monthly installments over three years beginning on the grant date.

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.