

Capnia, Inc.
Form 3
May 28, 2015

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Yen Kristen | | (Month/Day/Year) | Capnia, Inc. [CAPN] | |
| (Last) | (First) | (Middle) | 05/15/2015 | |
| 3 TWIN DOLPHIN DRIVE, SUITE 160 | | | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| (Street) | | | (Check all applicable) | |
| REDWOOD CITY, CA 94065 | | | <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| (City) | (State) | (Zip) | <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other | <input checked="" type="checkbox"/> Form filed by One Reporting Person |
| | | | (give title below) (specify below) | <input type="checkbox"/> Form filed by More than One Reporting Person |
| | | | See Remarks | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|------------------------------------|--|---|--|
| No securities beneficially owned | 0 | D | |

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---|---|--|--|---|--|
| | Date Exercisable | Title | | | |

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| | | Expiration Date | | Amount or Number of Shares | | or Indirect (I) (Instr. 5) | |
|-----------------------|---------------------------------------|-----------------|--------------|----------------------------|----------|----------------------------|---|
| Employee Stock Option | 04/03/2007 ⁽¹⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ | 06/08/2016 | Common Stock | 1,041 | \$ 10.56 | D | Â |
| Employee Stock Option | 03/11/2008 ⁽¹⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ | 03/14/2017 | Common Stock | 520 | \$ 10.56 | D | Â |
| Employee Stock Option | 08/15/2007 ⁽²⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ | 09/25/2018 | Common Stock | 3,333 | \$ 3.48 | D | Â |
| Employee Stock Option | 11/15/2008 ⁽²⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ | 10/15/2018 | Common Stock | 3,437 | \$ 3.48 | D | Â |
| Employee Stock Option | 07/01/2010 ⁽²⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ | 06/03/2020 | Common Stock | 4,166 | \$ 1.2 | D | Â |
| Employee Stock Option | 11/12/2014 ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ | 11/12/2024 | Common Stock | 52,389 | \$ 7.139 | D | Â |
| Employee Stock Option | 01/11/2016 ⁽¹⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ | 01/11/2025 | Common Stock | 10,000 | \$ 1.8 | D | Â |
| Employee Stock Option | 01/11/2015 ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ | 01/11/2025 | Common Stock | 13,097 | \$ 1.8 | D | Â |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------------|-------|
| | Director | 10% Owner | Officer | Other |
| Yen Kristen 3 TWIN DOLPHIN DRIVE, SUITE 160 REDWOOD CITY, CA 94065 | Â | Â | Â See Remarks | Â |

Signatures

/s/ David O'Toole,
attorney-in-fact

05/28/2015

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(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).

One fourth (1/4) of the shares subject to the Option shall vest on the first anniversary of the Vesting Commencement Date, and one forty-eighth (1/48) of the shares subject to the Option shall vest each month thereafter on the same day of the month as the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), such that all of the shares subject to the Option will have vested as of the fourth anniversary of the Vesting Commencement Date, subject to Participant continuing to be a Service Provider (as defined in the Plan) through each such date.

(2) Beginning on the one month anniversary of the Vesting Commencement Date, one forty-eighth (1/48) of the shares subject to the Option shall vest each month on the same day of the month as the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), such that all of the shares subject to the Option will have vested as of the fourth anniversary of the Vesting Commencement Date, subject to Participant continuing to be a Service Provider (as defined in the Plan) through each such date.

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One fourth (1/4) of the shares subject to the Option shall vest immediately as of the Vesting Commencement Date, and one forty-eighth (1/48) of the remaining shares subject to the Option shall vest each month thereafter on the same day of the month as the Vesting

- (3) Commencement Date (and if there is no corresponding day, on the last day of the month), such that all of the shares subject to the Option will have vested as of the fourth anniversary of the Vesting Commencement Date, subject to Participant continuing to be a Service Provider (as defined in the Plan) through each such date.

If Participant is terminated without cause or resigns for good reason occurs within three (3) months prior to, or six (6) months following, a Change in Control of the Company, then one hundred percent (100%) of the Option shall immediately vest and become fully exercisable.

- (4) "Cause" means: (i) Participant's act of personal dishonesty in connection with his responsibilities as an employee that is intended to result in Participant's substantial personal enrichment; (ii) Participant being convicted of, or pleading no contest or guilty to, (x) a misdemeanor that the Company reasonably believes has had or will have a material detrimental effect on the Company, or (y) any felony; (iii) Participant's gross misconduct;

(Continued from footnote 4) (iv) Participant's willful and continued failure to perform the duties and responsibilities of Participant's position after there has been delivered to Participant a written demand for performance from the Company that describes the basis for the Company's belief that Participant has not substantially performed Participant's duties and Participant has not corrected such failure within

- (5) thirty (30) days of such written demand; or (v) Participant's material violation of any written Company employment policy or standard of conduct, including a material breach of the Participant's confidential information agreement. "Good Reason" means Participant's resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without Participant's consent:

(Continued from footnote 5) (i) a material reduction in Participant's Base Salary, excluding the substitution of substantially equivalent compensation and benefits, that is not generally applicable to all Company senior management or employees of the Company generally; (ii) a material reduction of Participant's authority, duties or responsibilities, unless Participant is provided with a comparable position;

- (6) provided, however, that a reduction in authority, duties, or responsibilities solely by virtue of the Company being acquired and made part of a larger entity whether as a subsidiary, business unit or otherwise (as, for example, when the Chief Executive Officer of the Company remains as such following an acquisition where the Company becomes a wholly owned subsidiary of the acquirer, but is not made the Chief Executive Officer of the acquiring corporation) will not constitute "Good Reason";

(Continued from footnote 6) or (iii) a material change in the geographic location of Participant's primary work facility or location; provided, that a relocation of fifty (50) miles or less from Participant's then present location or to Participant's home as Participant's primary work location will not be considered a material change in geographic location. In order for an event to qualify as Good Reason,

- (7) Participant must not terminate employment with the Company without first providing the Company with written notice of the acts or omissions constituting the grounds for "Good Reason" within ninety (90) days of the initial existence of the grounds for "Good Reason" and a reasonable cure period of not less than thirty (30) days following the date of such notice, and such grounds must not have been cured during such time.

Â

Remarks:

ViceÂ President,Â ClinicalÂ andÂ Regulatory

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

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