

Conatus Pharmaceuticals Inc
Form 4
August 01, 2013

FORM 4

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

OMB APPROVAL

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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 *
Malik Shahzad

2. Issuer Name and Ticker or Trading Symbol
Conatus Pharmaceuticals Inc [CNAT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
07/30/2013

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

C/O CONATUS PHARMACEUTICALS INC., 4365 EXECUTIVE DRIVE, SUITE 200

(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

SAN DIEGO, CA 92121

(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 Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	07/30/2013		C ⁽¹⁾		1,888,091	A	Ⓛ	1,888,091	I	See footnotes (2) (3)
Common Stock	07/30/2013		X ⁽⁴⁾		70,003	A	\$ 0.0825	1,958,094	I	See footnote (3)
Common Stock	07/30/2013		S ⁽⁴⁾		535	D	\$ 11	1,957,559	I	See footnote (3)

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Common Stock	07/30/2013		<u>J</u> ⁽⁷⁾	19,223 ⁽⁸⁾	A	\$ 11	1,976,782	I	See footnote <u>(3)</u>
Common Stock	07/30/2013		P	<u>190,054</u> ⁽⁹⁾	A	\$ 11	2,166,836	I	See footnote <u>(3)</u> <u>(10)</u>

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

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(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 Underlying Security (Instr. 3 and 4)
					V	(A)	(D)	Date Exercisable	Expiration Date	
Series A Preferred Stock	<u>(1)</u>	07/30/2013		<u>C</u> ⁽¹⁾		10,000,000		<u>(1)</u>	<u>(1)</u>	Common Stock
Series B Preferred Stock	<u>(1)</u>	07/30/2013		<u>C</u> ⁽¹⁾		5,576,786		<u>(1)</u>	<u>(1)</u>	Common Stock
Warrants to Purchase Shares of Series A Preferred Stock	<u>(4)</u>	07/30/2013		<u>X</u> ⁽⁴⁾		577,599		<u>(4)</u>	<u>(4)</u>	Common Stock
Stock Option (Right to Buy)	\$ 11	07/30/2013		A		30,000		<u>(14)</u>	07/29/2023	Common Stock

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Malik Shahzad
 C/O CONATUS PHARMACEUTICALS INC.
 4365 EXECUTIVE DRIVE, SUITE 200
 SAN DIEGO, CA 92121

X X

Signatures

/s/ Charles J. Cashion, Attorney-in-Fact for Shahzad
 Malik

08/01/2013

__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 outstanding shares of Preferred Stock of the Issuer automatically converted into the shares of Common Stock of the Issuer at the closing of the Issuer's initial public offering (the "IPO") at a conversion ratio of 1 share of Common Stock for every 8.25 shares of Preferred Stock, rounded down to the nearest whole number, for no additional consideration.

Represents 672,872, 329,711, 91,972, 180,907, 26,029, 21,691, 6,507, 552,874 and 5,528 shares held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively, upon conversion of Preferred Stock.
 - (2) Advent Venture Partners LLP owns 100% of Advent Management III Limited, which is GP of Advent Management III Limited Partnership, which is GP of each of Advent Private Equity Fund III "A", Advent Private Equity Fund III "B", Advent Private Equity Fund III "C", Advent Private Equity Fund III "D" and Advent Private Equity Fund III Affiliates. Advent Venture Partners LLP also owns 100% of Advent Limited and Advent Private Equity Fund IV. Advent Limited owns 100% of Advent Private Equity GmbH, which is GP of Advent Private Equity Fund III GmbH & Co. KG. Voting and investment power over the shares held by each named fund may be deemed to be shared with Advent Venture Partners LLP due to the affiliate relationship. Dr. Malik is a GP of Advent Venture Partners LLP and shares voting and investment power over the shares, and disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein.
 - (3) Upon the conversion of all outstanding shares of Preferred Stock of the Issuer in connection with the closing of the IPO, the warrants to purchase shares of Series A Preferred Stock were converted to warrants to purchase Common Stock with an exercise price of \$0.0825 per share, at a ratio of 1 share of Common Stock for every 8.25 shares of Preferred Stock, rounded down to the nearest whole number, and were then net exercised based on the IPO price of \$11.00 per share.

Represents 24,950, 12,225, 3,410, 6,707, 965, 803, 240, 20,500 and 203 shares of Common Stock issued upon the exercise of the warrants held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively.
 - (4) Represents 188, 93, 27, 52, 8, 7, 3, 155 and 2 shares of Common Stock withheld by the Issuer upon the net exercise of the warrants held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively.
 - (5) The common stock was acquired upon conversion of a convertible promissory note exempt from the definition of a derivative security because the conversion price did not become fixed until automatic conversion at the time of the closing of the IPO.

Represents 6,851, 3,357, 936, 1,842, 265, 221, 66, 5,629 and 56 shares of Common Stock issued upon the automatic conversion of the principal amount of the convertible promissory notes, plus accrued interest, held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively, upon the closing of the IPO at a conversion price of \$11.00 per share.
 - (6) Represents 67,731, 33,189, 9,258, 18,210, 2,620, 2,183, 655, 55,652 and 556 shares held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively.
 - (7)
 - (8)
 - (9)
 - (10)

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Represents 772,216, 378,389, 105,549, 207,614, 29,871, 24,891, 7,465, 634,500 and 6,341 shares held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively.

- (11) Represents 3,563,761, 1,746,266, 487,116, 958,149, 137,863, 114,886, 34,466, 2,928,211 and 29,282 shares of Series A Preferred Stock held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively.

- (12) Represents 1,987,434, 973,855, 271,654, 534,339, 76,883, 64,069, 19,221, 1,633,002 and 16,329 shares of Series B Preferred Stock held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively.

- (13) Represents 205,845, 100,865, 28,135, 55,342, 7,962, 6,635, 1,990, 169,135 and 1,690 shares of Series A Preferred Stock issuable upon the exercise of the Warrants held by Advent Private Equity Fund III 'A', Advent Private Equity Fund III 'B', Advent Private Equity Fund III 'C', Advent Private Equity Fund III 'D', Advent Private Equity Fund III GmbH & Co KG, Advent Private Equity Fund III Affiliates, Advent Management III Limited Partnership, Advent Private Equity Fund IV, and Advent Management IV Limited Partnership, respectively.

- (14) The shares subject to this option become exercisable as they vest. One-third of the total number of shares subject to this option vests and becomes exercisable on each anniversary of the grant date, so that the entire number of shares subject to this option becomes fully vested and exercisable on the third anniversary of 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.

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