SEC Form 4

# FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| OMB APPROVAL | |
|---|---|
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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).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*
Stevenson Sharon
(Last) (First) (Middle)
C/O OKAPI VENTURE CAPITAL
1590 SOUTH COAST HIGHWAY, NO. 10
(Street)
LAGUNA BEACH CA 92651
(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
OBALON THERAPEUTICS INC [ OBLN ]

3. Date of Earliest Transaction (Month/Day/Year)
10/12/2016

4. If Amendment, Date of Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
X Director
10% Owner
Officer (give title below)
Other (specify below)

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 Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 10/12/2016 | | C | | 190,780 | A | (1) | 190,780 | I | By Okapi Ventures, L.P.(2) |
| Common Stock | 10/12/2016 | | C | | 266,829 | A | (3) | 457,609 | I | By Okapi Ventures, L.P.(2) |
| Common Stock | 10/12/2016 | | C | | 40,995 | A | (4) | 498,604 | I | By Okapi Ventures, L.P.(2) |
| Common Stock | 10/12/2016 | | C | | 161,504 | A | (4) | 161,504 | I | By Okapi Ventures II, L.P.(5) |
| Common Stock | 10/12/2016 | | C | | 119,441 | A | (6) | 280,945 | I | By Okapi Ventures II, L.P.(5) |
| Common Stock | 10/12/2016 | | C | | 47,629 | A | (7) | 546,233 | I | By Okapi Ventures, L.P.(2) |
| Common Stock | 10/12/2016 | | C | | 60,290 | A | (7) | 341,235 | I | By Okapi Ventures II, L.P.(5) |

### 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 Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Series A Preferred Stock | (1) | 10/12/2016 | | C | | | 143,677 | (1) | (1) | Common Stock | 190,780 | (1) | 0 | I | By Okapi Ventures, L.P.(2) |
| Series B Preferred Stock | (3) | 10/12/2016 | | C | | | 266,829 | (3) | (3) | Common Stock | 266,829 | (3) | 0 | I | By Okapi Ventures, L.P.(2) |

| 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 Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Series C Preferred Stock | (4) | 10/12/2016 | | C | | | 40,995 | (4) | (4) | Common Stock | 40,995 | (4) | 0 | I | By Okapi Ventures, L.P.(2) |
| Series C Preferred Stock | (4) | 10/12/2016 | | C | | | 161,504 | (4) | (4) | Common Stock | 161,504 | (4) | 0 | I | By Okapi Ventures II, L.P.(5) |
| Series D Preferred Stock | (6) | 10/12/2016 | | C | | | 119,441 | (6) | (6) | Common Stock | 119,441 | (6) | 0 | I | By Okapi Ventures II, L.P.(5) |
| Series E Preferred Stock | (7) | 10/12/2016 | | C | | | 47,629 | (7) | (7) | Common Stock | 47,629 | (7) | 0 | I | By Okapi Ventures, L.P.(2) |
| Series E Preferred Stock | (7) | 10/12/2016 | | C | | | 60,290 | (7) | (7) | Common Stock | 60,290 | (7) | 0 | I | By Okapi Ventures II, L.P.(5) |
| Series C Preferred Stock Warrant (right to buy) | $6.1918 | 10/12/2016 | | C | | | 4,037 | (8) | 02/24/2019 | Series C Preferred Stock | 4,037 | $0.00 | 0 | I | By Okapi Ventures, L.P.(2) |
| Common Stock Warrant (right to buy) | $6.1918 | 10/12/2016 | | C | | 4,037 | | (9) | 02/24/2019 | Common Stock | 4,037 | $0.00 | 4,037 | I | By Okapi Ventures, L.P.(2) |

**Explanation of Responses:**

1. Each share of the issuer's Series A Preferred Stock automatically converted into 1.327844907 shares of the issuer's Common Stock on October 12, 2016 in connection with the closing of the issuer's sale of its Common Stock in its firm commitment initial public offering (the "IPO") pursuant to a registration statement on Form S-1 (File No. 333-213551) under the Securities Act of 1933, as amended (the "Registration Statement"), and had no expiration date.

2. These securities are held of record by Okapi Ventures, L.P. ("OV"). Okapi Venture Partners, LLC ("OVLLC") is the general partner of OV. The reporting person is a managing director of OVLLC, and shares voting and investment power over the securities. The reporting person disclaims beneficial ownership of the securities reported herein for purposes of Rule 16a-1(a) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), except to the extent of her pecuniary interest therein, if any. This report shall not be deemed an admission that the reporting person is a beneficial owner of these securities for the purposes of Section 16 of the Exchange Act, or for any other purposes.

3. Each share of the issuer's Series B Preferred Stock automatically converted into 1 share of the issuer's Common Stock on October 12, 2016 in connection with the closing of the issuer's sale of its Common Stock in its IPO pursuant to the Registration Statement, and had no expiration date.

4. Each share of the issuer's Series C Preferred Stock automatically converted into 1 share of the issuer's Common Stock on October 12, 2016 in connection with the closing of the issuer's sale of its Common Stock in its IPO pursuant to the Registration Statement, and had no expiration date.

5. These securities are held of record by Okapi Ventures II, L.P. ("OVII"). Okapi Venture Partners II, LLC ("OVIILLC") is the general partner of OVII. The reporting person is a managing director of OVIILLC, and shares voting and investment power over the securities. The reporting person disclaims beneficial ownership of the securities reported herein for purposes of Rule 16a-1(a) under the Exchange Act, except to the extent of her pecuniary interest therein, if any. This report shall not be deemed an admission that the reporting person is a beneficial owner of these securities for the purposes of Section 16 of the Exchange Act, or for any other purposes.

6. Each share of the issuer's Series D Preferred Stock automatically converted into 1 share of the issuer's Common Stock on October 12, 2016 in connection with the closing of the issuer's sale of its Common Stock in its IPO pursuant to the Registration Statement, and had no expiration date.

7. Each share of the issuer's Series E Preferred Stock automatically converted into 1 share of the issuer's Common Stock on October 12, 2016 in connection with the closing of the issuer's sale of its Common Stock in its IPO pursuant to the Registration Statement, and had no expiration date.

8. The warrant is exercisable at any time at the holder's election on a one-for-one basis. If not exercised prior to the closing of the IPO, the warrant will convert into a warrant to purchase shares of the issuer's Common Stock on a one-for-one basis.

9. The warrant is exercisable at any time at the holder's election.

## Remarks:

| | |
|---|---|
| /s/ Nooshin Hussainy as attorney-in-fact for Sharon Stevenson, DVM Ph.D. | 10/12/2016 |
| ** Signature of Reporting Person | Date |

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

* 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).

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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