

CORNERSTONE THERAPEUTICS INC
 Form 4
 February 04, 2014

FORM 4

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

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).

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 *
 Franklin Joshua B

2. Issuer Name and Ticker or Trading Symbol
 CORNERSTONE THERAPEUTICS INC [CRTX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 02/03/2014

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 VP, Strategy & Bus. Dev.

C/O CORNERSTONE THERAPEUTICS INC., 1255 CRESCENT GREEN DRIVE, SUITE 250

(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

CARY, NC 27518

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (D) Price | | | |
| Common Stock | 02/03/2014 | | D | 20,944 (1) \$ 9.5 | 0 | D | |
| Common Stock | 02/03/2014 | | D | 25,000 (2) \$ 9.5 | 0 | D | |

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

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number.

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 Underlying Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Option to Purchase Common Stock (Right to Buy) | \$ 7.09 | 02/03/2014 | | D | 25,000 | <u>(3)</u> | 05/28/2019 | Common Stock | 25,000 |
| Option to Purchase Common Stock (Right to Buy) | \$ 9.3 | 02/03/2014 | | D | 50,000 | <u>(3)</u> | 07/28/2019 | Common Stock | 50,000 |
| Option to Purchase Common Stock (Right to Buy) | \$ 5.26 | 02/03/2014 | | D | 35,000 | <u>(4)</u> | 03/03/2020 | Common Stock | 35,000 |
| Option to Purchase Common Stock (Right to Buy) | \$ 5.25 | 02/03/2014 | | D | 25,000 | <u>(4)</u> | 03/02/2021 | Common Stock | 25,000 |
| Option to Purchase Common Stock (Right to Buy) | \$ 5.74 | 02/03/2014 | | D | 50,000 | <u>(4)</u> | 02/28/2022 | Common Stock | 50,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Franklin Joshua B C/O CORNERSTONE THERAPEUTICS INC. 1255 CRESCENT GREEN DRIVE, SUITE 250 CARY, NC 27518 | | | VP, Strategy & Bus. Dev. | |

Signatures

/s/ Amy Diebler, attorney-in-fact for Joshua B. Franklin pursuant to a power of attorney

02/04/2014

__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) Pursuant to the Agreement and Plan of Merger (the "Agreement") by and among Chiesi Farmaceutici S.p.A., Chiesi U.S. Corporation, and Cornerstone Therapeutics Inc., dated as of September 15, 2013, on the effective date of the merger contemplated by the Agreement (the "Merger"), each of these shares of common stock were automatically converted into the right to receive \$9.50, without interest.

(2) Represents shares of restricted stock. Pursuant to the Merger, each restricted stock award outstanding at the effective time of the Merger was converted into the right to receive an amount in cash equal to the product of (i) \$9.50 and (ii) the number of shares of Cornerstone Therapeutics Inc. common stock subject to such award.

(3) This option, which was fully vested, was cancelled in the Merger in exchange for a cash payment equal to the product of (i) the excess of \$9.50 over the exercise price per share of the option and (ii) the total number of shares underlying the option.

(4) This option, which provided for vesting as to 25% of the original number of shares on the first anniversary of the grant date and as to an additional 2.09% of the original number of shares at the end of each successive one-month period following the first anniversary of the grant date until the fourth anniversary of the grant date, was cancelled in the Merger in exchange for a cash payment equal to the product of (i) the excess of \$9.50 over the exercise price per share of the option and (ii) the total number of shares underlying the option.

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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