

Grimes Herbert
Form 4
September 16, 2011

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 *
Grimes Herbert

2. Issuer Name and Ticker or Trading Symbol
Vaughan Foods, Inc. [FOOD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
06/21/2011

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

216 N.E. 12TH STREET

(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

MOORE, OK 73160

(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 | | |
| | | | | | (A) or (D) Price \$ | | |
| Common Stock ⁽¹⁾ | 09/16/2011 | | D | | 975,000 | D | D |
| | | | | | 1.58 | | |
| | | | | | <u>(2)</u> | | |

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)

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| 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 Security (Instr. 3 and 4) | 8. An or Nu of s |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|------------------|
| | | | | Code V (A) (D) | | Date Exercisable Expiration Date | Title | |
| Employee Stock Option (right to buy) | \$ 0.42 | 06/21/2011 | | A | 87,000 | 06/21/2011 06/21/2016 | Common Stock | 87 |
| Employee Stock Option (right to buy) | \$ 0.42 | 09/16/2011 | | D | 87,000 | 06/21/2011 06/21/2016 | Common Stock | 87 |
| Employee Stock Option (right to buy) | \$ 0.76 | 09/16/2011 | | D | 60,000 | 11/26/2008 11/26/2013 | Common Stock | 80 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Grimes Herbert 216 N.E. 12TH STREET MOORE, OK 73160 | X | | CEO | |

Signatures

/s/ Herbert
Grimes

09/16/2011

**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).

The reporting person declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person was or is, for the purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, or any other purpose, (i) acting (1) (or has agreed or is agreeing to act together with any other person) as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding or disposing of securities of Vaughan Foods, Inc. (the "Issuer") or otherwise with respect to the Issuer or any securities of the Issuer or (ii) a member of any group with respect to the Issuer or any securities of the Issuer;

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- Pursuant to that certain Agreement and Plan of Merger, dated as of July 6, 2011, among the Issuer, Reser's Fine Foods, Inc. and Reser's Acquisition, Inc., at the effective time of the merger (the "Effective Time"), each share of Issuer common stock ("Common Stock") converted into the right to receive \$1.58 in cash;
- (2) Acquisition, Inc., at the effective time of the merger (the "Effective Time"), each share of Issuer common stock ("Common Stock") converted into the right to receive \$1.58 in cash;
 - (3) Not applicable; and
 - (4) At the Effective Time, each outstanding option to purchase shares of Common Stock, whether vested or unvested, will be converted into the right to receive an amount equal to the excess of \$1.58 over the exercise price of such 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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