

DOT HILL SYSTEMS CORP
Form 4
October 08, 2015

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

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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 *
SHERWOOD RODERICK M III

2. Issuer Name and Ticker or Trading Symbol
DOT HILL SYSTEMS CORP
[HILL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
10/06/2015

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

1351 S. SUNSET 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

LONGMONT, CO 80501

(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 | 10/06/2015 | | D | | 52,500 | D | 0 |

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

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SEC 1474 (9-02)

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 Securities (Instr. 3 and 4) | 8. Amount or Number of Shares | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|---|-------------------------------|--------------|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Director Stock Option (Right to Buy) | \$ 4.02 | 10/06/2015 | | D | | 50,000 | | <u>(2)</u> | 06/01/2016 | Common Stock | 50,000 |
| Director Stock Option (Right to Buy) | \$ 3.85 | 10/06/2015 | | D | | 20,000 | | <u>(2)</u> | 05/24/2017 | Common Stock | 20,000 |
| Director Stock Option (Right to Buy) | \$ 2.7 | 10/06/2015 | | D | | 20,000 | | <u>(2)</u> | 05/08/2018 | Common Stock | 20,000 |
| Director Stock Option (Right to Buy) | \$ 0.94 | 10/06/2015 | | D | | 10,000 | | <u>(2)</u> | 06/14/2019 | Common Stock | 10,000 |
| Director Stock Option (Right to Buy) | \$ 1.75 | 10/06/2015 | | D | | 10,000 | | <u>(2)</u> | 05/02/2020 | Common Stock | 10,000 |
| Director Stock Option (Right to Buy) | \$ 2.95 | 10/06/2015 | | D | | 10,000 | | <u>(2)</u> | 05/01/2021 | Common Stock | 10,000 |
| Director Stock Option (Right to Buy) | \$ 1.15 | 10/06/2015 | | D | | 10,000 | | <u>(2)</u> | 05/06/2022 | Common Stock | 10,000 |
| | \$ 1.74 | 10/06/2015 | | D | | 10,000 | | <u>(2)</u> | 05/05/2023 | | 10,000 |

| | | | | | | | | | |
|--|---------|------------|---|--------|------------|------------|-----------------|-----------------|--|
| Director Stock Option (Right to Buy) | | | | | | | | Common Stock | |
| Director Stock Option (Right to Buy) | \$ 4.03 | 10/06/2015 | D | 10,000 | <u>(2)</u> | 05/04/2024 | Common Stock | 10,000 | |
| Director Stock Option (Right to Buy) | \$ 6.44 | 10/06/2015 | D | 15,000 | <u>(3)</u> | 05/03/2022 | Common Stock | 15,000 | |
| Director Stock Option (Right to Buy) | \$ 2.42 | 10/06/2015 | D | 50,000 | <u>(2)</u> | 08/12/2020 | Common Stock | 50,000 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SHERWOOD RODERICK M III 1351 S. SUNSET STREET LONGMONT, CO 80501 | X | | | |

Signatures

/s/ Hanif I. Jamal,
attorney-in-fact

10/08/2015

 **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) Disposed of pursuant to an Agreement and Plan of Merger (the "Merger Agreement"), dated August 18, 2015, among the Issuer, Seagate HDD Cayman ("Parent"), and Denali Acquisition Sub Corp., a wholly-owned subsidiary of Parent ("Merger Sub"), in exchange for cash consideration of \$9.75 per share, without interest, subject to any required withholding of taxes. Pursuant to the Merger Agreement, Merger Sub merged with and into the Issuer, with the Issuer continuing as the surviving corporation (the "Merger").

(2) This option, which was fully vested on the closing date of the Merger (October 6, 2015), was cancelled in the Merger in exchange for a cash payment equal to \$9.75 per share minus the per share exercise price of the option, subject to any applicable tax withholdings.

(3) This option, which provided for vesting of 100% of the shares subject to the option on May 4, 2016, was cancelled in the Merger in exchange for a cash payment equal to \$9.75 per share, minus the per share exercise price of the option, subject to any applicable tax withholdings. In connection with the Merger, vesting of the stock option was accelerated and the option became fully vested and exercisable effective immediately prior to the effective time of the Merger.

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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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