

PEARLMAN JERRY K  
Form 4  
October 02, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
PEARLMAN JERRY K

2. Issuer Name and Ticker or Trading Symbol  
NANOPHASE TECHNOLOGIES CORPORATION [NANX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
10/01/2007

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

1319 MARQUETTE DRIVE

(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

ROMEDEVILLE, IL 60446

(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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D) Code V Amount (D) Price                                |   |  |                                   |
| Common Stock                    |                                      |  |                                |   | 21,948  | D  |                                   |

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

Edgar Filing: PEARLMAN JERRY K - Form 4

| 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 |
| Stock Option (right to buy)                | \$ 1.875   |                                      |  |                                |   | 04/26/2000 <sup>(1)</sup>                                | 04/26/2009  | Common Stock | 10,000                     |
| Stock Option (right to buy)                | \$ 7.625   |                                      |  |                                |   | 05/25/2001 <sup>(1)</sup>                                | 05/25/2010  | Common Stock | 2,000                      |
| Stock Option (right to buy)                | \$ 9.92  |                                      |  |                                |   | 06/05/2002 <sup>(1)</sup>                                | 06/05/2011  | Common Stock | 2,000                      |
| Stock Option (right to buy)                | \$ 3.78  |                                      |  |                                |   | 11/25/2003 <sup>(1)</sup>                                | 11/25/2012  | Common Stock | 2,000                      |
| Stock Option (right to buy)                | \$ 5.07  |                                      |  |                                |   | 06/26/2004 <sup>(1)</sup>                                | 06/26/2013  | Common Stock | 2,000                      |
| Deferred Common Stock                      | <u>(2)</u> <u>(3)</u>                                  | 10/01/2007                           |  | A                              | 876   | <u>(4)</u>   | <u>(4)(5)</u>   | Common Stock | 876                        |

## Reporting Owners

| Reporting Owner Name / Address                                    | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| PEARLMAN JERRY K<br>1319 MARQUETTE DRIVE<br>ROMEDEVILLE, IL 60446 | X             |           |         |       |

## Signatures

By Jess Jankowski under UPA for Jerry K.  
Pearlman

10/02/2007

\_\_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) Subject to certain restrictions, beginning on this date, options vest in three equal annual installments.
  - (2) Each share of deferred common stock represents a right to receive one share of common stock.  
  
876 shares of common stock were to be granted under the Company's 2005 Non-Employee Director Restricted Stock Plan. Such shares are vested immediately but subject to certain transfer restrictions. Pursuant to such plan, the reporting person elected to defer receipt of
  - (3) such shares and receive instead 876 shares of deferred common stock which, along with the 6,752 similar shares granted previously, will be accounted for under the Company's Non-Employee Director Deferred Compensation Plan.
  - (4) The deferred common stock becomes payable upon the reporting person's termination of service as a director of the Company.  
  
Pursuant to such plan, the reporting person elected to defer receipt of such shares and receive 876 shares of deferred common stock,
  - (5) amounting to a cumulative total of 7,628 shares of deferred common stock received (including those received from previous grants) to date, which will all be accounted for under the Company's Non-Employee Director Deferred Compensation Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.