

TP MANAGEMENT VII LLC
 Form 4
 September 13, 2018

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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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 *
 TP MANAGEMENT VII LLC

2. Issuer Name and Ticker or Trading Symbol
 SOLENO THERAPEUTICS INC
 [SLNO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 03/07/2018

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

100 SHORELINE HWY, SUITE 282, BUILDING B

(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
 ___X___ Form filed by More than One Reporting Person

MILL VALLEY, CA 94941

(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 Indirect Beneficial Ownership (Instr. 4)			
				(A) or (D)	Price					
				Code	V	Amount				
Common Stock	03/07/2018		J(3)(4)		51,940	A	\$ 3.4 (7)	1,432,924	I	See Footnote (1)
Common Stock	05/14/2018		J(5)(6)		259,702	A	\$ 3.4 (7)	1,692,626	I	See Footnote (1)
Common Stock	09/11/2018		S		11,567	D	\$ 2.045 (8)	1,681,059	I	See Footnote (1)
Common	09/12/2018		S		8,082	D	\$	1,672,977	I	See

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Stock					2.0222 <u>(9)</u>				Footnote <u>(1)</u>
Common Stock	09/13/2018	S	2,435	D	\$ 2	1,670,542	I		See Footnote <u>(1)</u>
Common Stock	03/07/2018	<u>J(3)(4)</u>	1,378	A	\$ <u>3.4</u> <u>(7)</u>	30,531	I		See Footnote <u>(2)</u>
Common Stock	05/14/2018	<u>J(5)(6)</u>	6,890	A	\$ <u>3.4</u> <u>(7)</u>	37,421	I		See Footnote <u>(2)</u>
Common Stock	09/11/2018	S	313	D	\$ <u>2.045</u> <u>(8)</u>	37,108	I		See Footnote <u>(2)</u>
Common Stock	09/12/2018	S	219	D	\$ <u>2.0222</u> <u>(9)</u>	36,889	I		See Footnote <u>(2)</u>
Common Stock	09/13/2018	S	66	D	\$ 2	36,823	I		See Footnote <u>(2)</u>

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.

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(9-02)

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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Beneficially (Instr. 5)
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TP MANAGEMENT VII LLC 100 SHORELINE HWY, SUITE 282, BUILDING B MILL VALLEY, CA 94941		X		
TECHNOLOGY PARTNERS FUND VII LP 100 SHORELINE HWY, SUITE 282, BLDG B MILL VALLEY, CA 94941		X		
TECHNOLOGY PARTNERS AFFILIATES VII LP 100 SHORELINE HWY, SUITE 282, BLDG B MILL VALLEY, CA 94941		X		

Signatures

/s/James Glasheen, as a Managing Member of TP Management VII, LLC	09/13/2017
__Signature of Reporting Person	Date
/s/James Glasheen, as a Managing Member of TP Management VII, LLC, the sole general partner of Technology Partners Fund VII, L.P.	09/13/2017
__Signature of Reporting Person	Date
/s/James Glasheen, as a Managing Member of TP Management VII, LLC, the sole general partner of Technology Partners Affiliates VII, L.P.	09/13/2017
__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 shares are held directly by Technology Partners Fund VII, L.P. ("Technology Partners VII"). The Reporting Person is the sole general partner of Technology Partners VII, and may be deemed to beneficially own such shares. The Reporting Person holds voting and

(1) dispositive power with respect to the securities held by Technology Partners VII. James Glasheen, Sheila Mutter, Roger Quy, Ira Ehrenpreis, and Ted Ardell, and certain other individuals are members of the Reporting Person and disclaim beneficial ownership of the securities held by Technology Partners VII except to the extent of any pecuniary interest therein.

The shares are held directly by Technology Partners Affiliates VII, L.P. ("Affiliates VII"). The Reporting Person is the sole general partner of Affiliates VII, and may be deemed to beneficially own such shares. The Reporting Person holds voting and dispositive power

(2) with respect to the securities held by Affiliates VII. James Glasheen, Sheila Mutter, Roger Quy, Ira Ehrenpreis, and Ted Ardell, and certain other individuals are members of the Reporting Person and disclaim beneficial ownership of the securities held by Affiliates VII except to the extent of any pecuniary interest therein

On March 7, 2018, the Reporting Person became entitled to receive the shares pursuant to a "hold-back" provision in the merger agreement dated December 22, 2016, pursuant to which Soleno Therapeutics, Inc. ("Soleno"), acquired all of the outstanding common stock of Essentialis, Inc. ("Essentialis") on March 7, 2017. The merger agreement provided that such shares were to be retained by Soleno and unissued, and to serve as partial security for the indemnification obligations the stockholders of Essentialis, and the shares of Soleno common stock would, for no additional consideration, be issued to the stockholders of Essentialis, subject to any reduction of such shares as a result of satisfying such indemnification obligations. As a result, on the holdback release date of March 7, 2018, the former stockholders of Essentialis, including the Reporting Person, acquired additional shares of Soleno common stock pursuant to the merger agreement.

(Continued from Footnote 3) The number of shares issuable pursuant to the "hold-back" provision was determined on March 7, 2018, pursuant to a formula set forth in the merger agreement which provided that the number of shares issuable would be four percent (4%) of the total shares issuable in the merger by Soleno. The Reporting Person's right to receive additional shares became fixed and irrevocable on March 7, 2017, the effective date of the merger.

(4)

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- On May 14, 2018, the Reporting Person became entitled to receive the shares pursuant to a "milestone earn-out" provision in the merger agreement dated December 22, 2016, pursuant to which Soleno acquired all of the outstanding common stock of Essentialis, Inc. on March 7, 2017. The merger agreement provided that such shares would be issued by Soleno upon the achievement of certain milestone conditions. As a result, on May 14, 2018, the former stockholders of Essentialis, including the Reporting Person, acquired additional shares of Soleno common stock pursuant to the merger agreement. The number of shares issuable pursuant to the "milestone earn-out" provision was determined on May 14, 2018, pursuant to a formula set forth in the merger agreement which provided that the number of shares issuable would be twenty percent (20%) of the total shares issuable in the merger by Soleno.
- (5)
- (6) (Continued from Footnote 5) The Reporting Person's right to receive additional shares became fixed and irrevocable on March 7, 2017, the effective date of the merger.
- (7) Share amounts and price are on a post-split basis and reflect the 5:1 reverse stock split effective on October 6, 2017.
- The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$2.00 to \$2.08, inclusive. The reporting person undertakes to provide to Soleno, any security holder of Soleno, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in this footnote (8) on this Form 4.
- (8)
- The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$2.00 to \$2.04, inclusive. The reporting person undertakes to provide to Soleno, any security holder of Soleno, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in this footnote (9) on this Form 4.
- (9)

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.