

ARADIGM CORP
Form 4
February 18, 2014

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 *
PECOTA NANCY E

(Last) (First) (Middle)

ARADIGM CORPORATION, 3929
POINT EDEN WAY

(Street)

HAYWARD, CA 94545

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ARADIGM CORP [ARDM]

3. Date of Earliest Transaction
(Month/Day/Year)
02/13/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP and CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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)
Common Stock	02/13/2014	02/13/2014	A	Code V Amount (A) or (D) Price \$	150,000 (1) 0.24	1,197,062	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.

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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 Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Stock Option (Right to Buy)	\$ 0.24	02/13/2014		A	1,100,000	(2)	02/12/2024	Common Stock	1,100,000
Stock Option (Right to Buy)	\$ 0.24	02/13/2014		A	1,500,000	(4)	02/12/2024	Common Stock	1,500,000
Stock Option (Right to Buy)	\$ 0.24	02/13/2014		A	350,000	(4)	02/12/2024	Common Stock	350,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PECOTA NANCY E ARADIGM CORPORATION 3929 POINT EDEN WAY HAYWARD, CA 94545			VP and CFO	

Signatures

/s/Nancy Pecota 02/18/2014
 **Signature of Date
 Reporting Person

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) Represents grant of stock that is 100% vested.
- (2) Stock option vests in equal quarterly installments over four years, vesting start date of 2/13/14.
- (3) Inapplicable
- (4) Stock option vests 100% upon the satisfaction of certain conditions.

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.