

EHLER HOWARD L JR
 Form 4
 October 22, 2008

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 *
 EHLER HOWARD L JR

2. Issuer Name and Ticker or Trading Symbol
 IMPERIAL INDUSTRIES INC
 [IPII]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 5621 SW 8 STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 10/20/2008

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

PLANTATION, FL 33317
 (City) (State) (Zip)

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

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock | | | | (A) or (D) | 21,544 | D ⁽¹⁾ | |

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Stock Option | \$ 0.79 | 10/20/2008 | | J ⁽⁴⁾ | 960 | 07/11/2005 03/19/2009 | Common | 960 |
| Stock Option | \$ 0.79 | 10/20/2008 | | J ⁽⁴⁾ | 5,000 | 09/17/2005 03/16/2010 | Common | 5,000 |
| Stock Option | \$ 0.79 | 10/20/2008 | | J ⁽⁴⁾ | 5,000 | 06/21/2006 12/20/2010 | Common | 5,000 |
| Stock Option | \$ 0.79 | 10/20/2008 | | J ⁽⁴⁾ | 882 | 08/17/2006 07/30/2009 | Common | 882 |
| Stock Option | \$ 0.79 | 10/20/2008 | | J ⁽⁴⁾ | 619 | 02/28/2007 07/30/2009 | Common | 619 |
| Restricted Stock Unit | \$ 3.66 | | | | | ⁽²⁾ ⁽³⁾ | Common | 6,000 |
| Stock Option | \$ 0.79 | 10/20/2008 | | A | 5,000 | 04/20/2009 10/19/2013 | Common | 5,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| EHLER HOWARD L JR 5621 SW 8 STREET PLANTATION, FL 33317 | X | | Chief Operating Officer | |

Signatures

/s/ HOWARD L.
EHLER, JR. 10/22/2008

**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) Shares in the amount of 18,415 are jointly owned by Mr. Ehler and his wife Marsha Ehler.

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- (2) Restricted Stock Units were: (a) granted pursuant to the Company's 2006 Stock Award and Incentive Plan; and (b) vest 25% on each anniversary date of the grant.
- (3) Shares would be issued at time of vesting and would be fully vested and issued as of 11/27/2011.
- (4) The exercise prices if the above noted stock options that were previously granted were re-priced to the fair market value of the underlying common stock as of the close of trading on October 17, 2008

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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