

PATHEON INC  
Form 4  
March 12, 2014

**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

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 \*  
Gill Harry R III

(Last) (First) (Middle)  
4721 EMPEROR BLVD, SUITE 200  
(Street)

DURHAM, NC 27703

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
PATHEON INC [PTI]

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/11/2014

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)  
SVP Quality and Cont Improve

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 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		

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)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
---------------------------------	---------------------------	--------------------------------------	-----------------------------------	---------------------	------------------------------------	--	---

Edgar Filing: PATHEON INC - Form 4

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)						
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Am Nu Sha
Employee Stock Option (Right to Buy)	\$ 2.21 <sup>(1)</sup>	03/11/2014	D			30,000	09/13/2013 <sup>(6)</sup>	09/13/2017	Restricted Voting Shares	30
Employee Stock Option (Right to Buy)	\$ 1.85 <sup>(1)</sup>	03/11/2014	D			110,000 <sup>(2)</sup>	<sup>(3)</sup> (6)	06/17/2022	Restricted Voting Shares	11
Employee Stock Option (Right to Buy)	\$ 2.96 <sup>(1)</sup>	03/11/2014	D			100,000	<sup>(4)</sup> (6)	09/17/2022	Restricted Voting Shares	10
Employee Stock Option (Right to Buy)	\$ 5.17 <sup>(1)</sup>	03/11/2014	D			50,000	<sup>(5)</sup> (6)	06/05/2023	Restricted Voting Shares	50

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Gill Harry R III 4721 EMPEROR BLVD SUITE 200 DURHAM, NC 27703			SVP Quality and Cont Improve	

## Signatures

Susan Downs,  
Attorney-in-fact

03/12/2014

\*\*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) The exercise price was converted from Canadian dollars based on the March 10, 2014 closing rate of exchange of 1.1105 Canadian dollars per U.S. dollars as quoted by Reuters. The actual exercise price is the Canadian dollar amount regardless of the exchange rate on

## Edgar Filing: PATHEON INC - Form 4

the date of exercise.

- (2) This option was exercisable for a total of 150,000 shares of restricted voting shares, however, 40,000 shares underlying the option grant were cancelled for no value in connection with the Arrangement (as defined below)

The options may be exercised, in whole or in part, at any time and from time to time, on or after the earlier of: the achievement by

- (3) Patheon Inc. of US\$175,000,000 adjusted EBITDA during any fiscal year ending after the date of grant until expiry; or on or after June 18, 2017 until expiry.
- (4) The option vests in five equal annual installments on September 18, 2013, September 18, 2014, September 18, 2015, September 18, 2016 and September 18, 2017.
- (5) The option vests in five equal annual installments on June 6, 2014, June 6, 2015, June 6, 2016, June 6, 2017 and June 6, 2018.

Pursuant to the Arrangement Agreement (the "Agreement") by and between Patheon Inc. and JLL/Delta Patheon Holdings, L.P., dated as of November 18, 2013, on the effective date of the arrangement contemplated by the Agreement, this option was cancelled in exchange

- (6) for a cash payment equal to the product of (i) the excess of US\$9.32 over the exercise price per share of the option and (ii) the total number of shares underlying the option.

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.