

Otonomy, Inc.  
Form 4  
August 19, 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 \*  
**Khuong Chau Quang**

(Last) (First) (Middle)

**C/O OTONOMY, INC., 6275  
NANCY RIDGE DRIVE**

(Street)

**SAN DIEGO, CA 92121**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**Otonomy, Inc. [OTIC]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**08/18/2014**

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)

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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	08/18/2014		C		2,084,523	A	\$ 16
							2,084,523
Common Stock	08/18/2014		P		171,875	A	\$ 16
							2,256,398

See footnotes (2) (3)  
See footnotes (2) (3)

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)

Edgar Filing: Otonomy, Inc. - Form 4

**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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series C Preferred Stock	(1)	08/18/2014		C	1,706,484	(1) (1)	Common Stock	1,706,484	
Series D Preferred Stock	(1)	08/18/2014		C	378,039	(1) (1)	Common Stock	378,039	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Khuong Chau Quang C/O OTONOMY, INC. 6275 NANCY RIDGE DRIVE SAN DIEGO, CA 92121	X	X		

## Signatures

/s/ Paul E. Cayer, by power of attorney

08/18/2014

\_\_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 Series C Convertible Preferred Stock and the Series D Convertible Preferred Stock automatically converted into Common Stock, for no additional consideration, on a one-for-one basis immediately prior to the completion of the Issuer's initial public offering of Common Stock and had no expiration date.

(2) The reported securities are held of record by OrbiMed Private Investments IV, LP ("OPI IV"). OrbiMed Capital GP IV LLC ("GP IV") is the sole general partner of OPI IV, and OrbiMed Advisors LLC ("Advisors"), a registered adviser under the Investment Advisers Act of 1940, as amended, is the sole managing member of GP IV. Samuel D. Isaly ("Isaly"), a natural person, is the managing member of, and owner of a controlling interest in, Advisors. By virtue of such relationships, GP IV, Advisors and Isaly may be deemed to have voting and investment power with respect to the securities held by OPI IV and as a result may be deemed to have beneficial ownership over such securities. The Reporting Person is a Private Equity Partner of Advisors.

(3) Each of GP IV, Advisors, Isaly and the Reporting Person disclaims beneficial ownership of the securities reported herein for purposes of Rule 16a-1(a) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), except to the extent of its or his pecuniary interest therein, if any. This report on Form 4 shall not be deemed an admission that any of them is a beneficial owner of such securities for the purpose of Section 16 of the Exchange Act, or for any other purpose.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

## Edgar Filing: Otonomy, Inc. - Form 4

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.