

STILLWATER LLC
Form 4
September 29, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
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 *
STILLWATER LLC

2. Issuer Name and Ticker or Trading Symbol
EMAGIN CORP [EMAN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
15 EAST 62ND STREET
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/25/2008

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

NEW YORK, NY 10021

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

(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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | 09/25/2008 ⁽¹⁰⁾ | | J ⁽¹⁰⁾ | V Amount (A) or (D) Price \$ 0 (10) | 14,188 A \$ 0 (10) 1,976,115 | D | |
| Common Stock | 09/25/2008 ⁽¹⁰⁾ | | J ⁽¹⁰⁾ | V Amount (A) or (D) Price \$ 0 (10) | 13,242 A \$ 0 (10) 276,084 | I | By Rainbow Gate Corporation (1) |

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: STILLWATER LLC - 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 Number Shares |
| Stock Purchase Warrants (right to buy) | \$ 27.6 <u>(2)</u> | 06/10/2008 ⁽²⁾ | | H ⁽²⁾ | 51,776 <u>(2)</u> | <u>(2)</u> | 06/10/2008 | Common Stock | 51,776 |
| Amended and Restated 8% Secured Convertible Note | \$ 0.35 <u>(3)</u> | | | | | <u>(3)</u> | <u>(3)</u> | Common Stock | 714,2 |
| Stock Purchase Warrants (right to buy) | \$ 0.48 <u>(6)</u> | | | | | <u>(6)</u> | <u>(6)</u> | Common Stock | 1,000, |
| Stock Purchase Warrants (right to buy) | \$ 1.3 <u>(7)</u> | | | | | <u>(7)</u> | <u>(7)</u> | Common Stock | 240,3 |
| Amended and Restated 8% Secured Convertible Note | \$ 0.75 <u>(4)</u> | | | | | <u>(4)</u> | <u>(4)</u> | Common Stock | 933,3 |
| Stock Purchase Warrants (right to buy) | \$ 1.03 <u>(5)</u> | | | | | <u>(5)</u> | <u>(5)</u> | Common Stock | 653,3 |
| Stock Purchase Warrants | \$ 3.45 <u>(8)</u> | | | | | <u>(8)</u> | <u>(8)</u> | Common Stock | 29,74 |

(right to buy)

Stock Purchase Warrants (right to buy)

\$ 10 (9)

(9)

(9)

Common Stock

54,5

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| STILLWATER LLC 15 EAST 62ND STREET NEW YORK, NY 10021 | | X | | |

Signatures

/s/ Mortimer D.A. Sackler as President of Stillwater LLC

09/26/2008

 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) These securities are owned solely by Rainbow Gate Corporation. The sole member of Stillwater LLC is the investment manager of Rainbow Gate Corporation, and this report shall not be deemed an admission that Stillwater LLC is the beneficial owner of these securities except to the extent of its pecuniary interest therein.
 - (2) These warrants expired and were not exercised by the Reporting Person.
 - (3) The notes have an 8% interest rate, a conversion price of \$0.35, are convertible immediately and mature on December 21, 2008.
 - (4) The notes have an 8% interest rate, a conversion price of \$0.75, are convertible immediately and mature on December 21, 2008.
 - (5) The warrants to purchase Issuer's Common Stock have an exercise price of \$1.03, are exercisable immediately, and will expire on July 21, 2011.
 - (6) The warrants to purchase Issuer's Common Stock have an exercise price of \$0.48 per share, are exercisable immediately, and will expire on July 21, 2011.
 - (7) The warrants to purchase Issuer's Common Stock have an exercise price of \$1.30 per share, are exercisable immediately, and will expire on April 2, 2013.
 - (8) The warrants to purchase Issuer's Common Stock are exercisable immediately, will expire on April 25, 2010, and had an exercise price of \$3.45 per share prior to the Issuer's execution of Amendment No. 3 to the Loan and Security Agreement with Moriah Capital, LP but are subject to re-pricing due to the execution of such agreement in accordance with the terms of the original warrant.
 - (9) The warrants to purchase Issuer's Common Stock have an exercise price of \$10.00 per share, are exercisable immediately, and will expire on October 20, 2010.
 - (10) These Common Stock shares were issued due to its waiver (consent), dated August 20, 2008, of the Issuer increasing their line of credit with Moriah Capital, LP and for extending the date that the loan be repaid contrary to terms in the 8% Senior Secured Convertible Notes and April 2008 Securities Purchase Agreement (as applicable). The Reporting Person received such shares from the Issuer on September 25, 2008.

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: STILLWATER LLC - 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.