SHARPS COMPLIANCE CORP

Form 4/A

September 26, 2014

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

OMB APPROVAL

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obligations

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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 may continue. See Instruction

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * TUSA DAVID P

9220 KIRBY DRIVE, SUITE 500

(Street)

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

Symbol

SHARPS COMPLIANCE CORP

(Check all applicable)

[SMED]

(Last) (First) 3. Date of Earliest Transaction

_X__ Director 10% Owner X_ Officer (give title Other (specify

(Month/Day/Year)

09/25/2014

below)

6. Individual or Joint/Group Filing(Check

CEO and President

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

Applicable Line)

08/28/2014

X Form filed by One Reporting Person Form filed by More than One Reporting

(Instr. 4)

Person

HOUSTON, TX 77054

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if

(Middle)

3. TransactionAcquired (A) or Code

(Instr. 8)

4. Securities Disposed of (D)

(Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (I)

(Instr. 4)

Following Reported (A) Transaction(s)

(Instr. 3 and 4) Code V Amount (D) Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

(Month/Day/Year)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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

7. Title and A

Underlying S

(Instr. 3 and

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(Instr. 3) Price of (Month/Day/Year) (Instr. 8) Acquired (A) or Derivative Disposed of (D) (Instr. 3, 4, and Security 5) V (A) Code (D) Date Exercisable Expiration Title Date Sharps Compliance Common 09/25/2014 $D^{(1)(2)}$ 120,000 08/26/2015(3) 08/26/2021 Stock Plan \$ 4.32 Stock Option Cancellation

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

TUSA DAVID P 9220 KIRBY DRIVE SUITE 500

X CEO and President

HOUSTON, TX 77054

Signatures

Celina Sanchez 09/26/2014

**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).

On August 26, 2014, the Company's Compensation Committee of the Board of Directors authorized the granting to Mr. Tusa and other executive officers of the Company stock option awards to acquire shares of Common Stock (the "Stock Options") under Part I and Part II of the Executive Incentive Compensation Plan (the "Plan") at an exercise price of \$4.32 per share reflecting the quoted end of trading day market price of the underlying Common Stock at the date of grant. Prior to issuing such stock option grants, the Company realized that there were not enough shares reserved for issuance of the stock options under the Sharps Compliance Corp. 2010 Stock Plan (the "2010

- there were not enough shares reserved for issuance of the stock options under the Sharps Compliance Corp. 2010 Stock Plan (the "2010 Plan"). Therefore, on September 25, 2014, the Board of Directors cancelled the Stock Options and entered into an Option Cancellation Agreement ("Agreement") with Mr. Tusa.
- In September 2014, the Board of Directors approved that the Company recommend to the stockholders of the Company that the 2010 Plan be amended to increase the number of shares of Common Stock available for awards thereunder from 1,000,000 to 3,000,000 in conjunction with the Annual Stockholder Meeting scheduled for November 20, 2014. This recommendation will be included in the Company's 2014 Proxy Statement.
- (3) The Stock Options vested as follows: one-fourth on August 26, 2015, one-fourth on August 26, 2016, one-fourth on August 26, 2017 and one-fourth on August 26, 2018
- The Agreement provides for Mr. Tusa to receive (i) new options to acquire the same number of shares of Common Stock as described in such Stock Options, subject to approval of the stockholders of the increase in number of shares available under the 2010 Plan, at an exercise price equal to the greater of \$4.32 or the "fair market value" (as defined in the 2010 Plan) of the shares of the Common Stock on the new grant date (the "New Exercise Price") and (ii) Additional Consideration.
- (5) Related to the Additional Consideration, the Agreement provides for Mr. Tusa to receive either, at the Board of Directors' discretion, (a) payment of an amount in cash equal to the number of shares of Common Stock covered by Mr. Tusa's Stock Options, multiplied by the excess, if any, of the New Exercise Price over the exercise price per share of Common Stock covered by such Stock Options, less all tax

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withholding required by applicable law, (b) the grant of new option or options ("Additional Options") with an aggregate value equal to the number of shares of Common Stock covered by Mr. Tusa's Stock Options, multiplied by the excess, if any, of the New Exercise Price over the exercise price per share of Common Stock covered by such Stock Options, with the number of Additional Options to be determined as the aggregate value divided by the value of a single option on the new grant date as determined using the Black-Scholes valuation method, or (c) a combination of (a) and (b).

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.