

BARKAS ALEXANDER E
Form 4
October 20, 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

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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 *
BARKAS ALEXANDER E

(Last) (First) (Middle)

C/O PROSPECT VENTURE PARTNERS, 435 TASSO ST., SUITE 200

(Street)

PALO ALTO, CA 94301

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
TERCICA INC [TRCA]

3. Date of Earliest Transaction (Month/Day/Year)
10/16/2008

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 or Disposed of (A) (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	Price (A) or (D)			
Common stock	10/16/2008		D	6,666	D	\$ 9 (1)	0	D	
Common stock	10/16/2008		D	3,017,588	D	\$ 9 (2)	0	I	Prospect Venture Partners II, L.P. (3)
Common stock	10/16/2008		D	45,952	D	\$ 9 (2)	0	I	Prospect Associates II, L.P. (3)

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)

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 Security (Instr. 3 and 4)	Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 8.6	10/16/2008		D	2,500	(4) 06/05/2012	Common stock	2,500
Non-Qualified Stock Option (right to buy)	\$ 5	10/16/2008		D	33,750	(4) 01/08/2014	Common stock	33,750
Non-Qualified Stock Option (right to buy)	\$ 0.75	10/16/2008		D	22,500	(4) 06/01/2015	Common stock	22,500
Non-Qualified Stock Option (right to buy)	\$ 4.4	10/16/2008		D	22,500	(4) 06/06/2016	Common stock	22,500
Non-Qualified Stock Option (right to buy)	\$ 2.4	10/16/2008		D	22,500	(4) 05/24/2017	Common stock	22,500
Non-Qualified Stock Option (right to buy)	\$ 4.81	10/16/2008		D	26,668	(4) 05/20/2018	Common stock	26,668

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BARKAS ALEXANDER E C/O PROSPECT VENTURE PARTNERS 435 TASSO ST., SUITE 200 PALO ALTO, CA 94301	X			

Signatures

/s/ Alexander E.
Barkas

10/20/2008

__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) Represents Restricted Stock Units that were canceled pursuant to the terms of the Agreement and Plan of Merger, in exchange for a cash payment equal to \$9.00 per restricted stock unit canceled.

Pursuant to the terms of the Agreement and Plan of Merger, dated June 4, 2008, among Tercica, Inc., Beaufour Ipsen Pharma and Tribeca Acquisition Corporation, a wholly owned subsidiary of Beaufour Ipsen Pharma, each issued and outstanding share of common stock was automatically canceled and converted into the right to receive a per share amount equal to \$9.00 in cash, without interest.

(2) Alexander Barkas is a managing member of Prospect Management Co. II, LLC, the General Partner of Prospect Venture Partners II, L.P. and Prospect Associates II, L.P., and, together with the other managing members of Prospect Management Co. II, LLC, holds voting and dispositive power for the shares held of record by the stockholders listed above.

(3) This stock option was canceled pursuant to the terms of the Agreement and Plan of Merger, in exchange for a cash payment equal to the
(4) excess of the \$9.00 per share merger consideration over the per share exercise price of the option, multiplied by the number of shares of common stock subject to 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.

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