

EMAGIN CORP
Form 4
December 24, 2008

FORM 4

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

OMB APPROVAL

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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 *
GINOLA LTD

(Last) (First) (Middle)

C/O OGIER FIDUCIARY SERVICES LIMITED, ST. HELIER

(Street)

JERSEY CHANNEL ISLANDS JE49 WG

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
12/22/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
X 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)
				(A) or (D) Price			
Common Stock					574,357	D	
Common Stock					276,084	I	By Rainbow Gate Corporation (1)
Common Stock					284,736	I	By Crestflower Corporation (2)
					57,372	I	

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Common Stock						By Chelsea Trust Company, as Trustee ⁽²⁾
Common Stock				65,080	I	By Mount Union Corp. ⁽²⁾

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

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(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 Underlying Sec (Instr. 3 and 4)
					V	(A)	(D)	Date Exercisable	
Amended and Restated 8% Secured Convertible Note	\$ 0.75 ⁽³⁾	12/22/2008		H ⁽⁴⁾		1,070,667	07/21/2006	12/22/2008	Common Stock
Series B Convertible Preferred Shares	\$ 0.75 ⁽³⁾	12/22/2008		P ⁽⁴⁾		803	12/22/2008	⁽³⁾ (4)	Common Stock
Amended and Restated 8% Secured Convertible Note	\$ 0.75 ⁽³⁾	12/22/2008		H ⁽⁴⁾		937,333	07/21/2006	12/22/2008	Common Stock
Series B Convertible Preferred Stock	\$ 0.75 ⁽³⁾	12/22/2008		P ⁽⁴⁾		703	12/22/2008	⁽³⁾ (4)	Common Stock
Stock Purchase	\$ 1.03 ⁽⁵⁾						⁽⁵⁾	⁽⁵⁾	Common Stock

Warrants (right to buy)				
Stock Purchase Warrants (right to buy)	\$ 2.5 <u>(6)</u>	<u>(6)</u>	<u>(6)</u>	Common Stock
Stock Purchase Warrants (right to buy)	\$ 1.13 <u>(7)</u>	<u>(7)</u>	<u>(7)</u>	Common Stock
Stock Purchase Warrants (right to buy)	\$ 1.03 <u>(5)</u>	<u>(5)</u>	<u>(5)</u>	Common Stock
Stock Purchase Warrants (right to buy)	\$ 2.5 <u>(6)</u>	<u>(6)</u>	<u>(6)</u>	Common Stock
Stock Purchase Warrants (right to buy)	\$ 10 <u>(8)</u>	<u>(8)</u>	<u>(8)</u>	Common Stock
Stock Purchase Warrants (right to buy)	\$ 1.13 <u>(7)</u>	<u>(7)</u>	<u>(7)</u>	Common Stock
Stock Purchase Warrants (right to buy)	\$ 2.5 <u>(6)</u>	<u>(6)</u>	<u>(6)</u>	Common Stock
Stock Purchase Warrants (right to buy)	\$ 10 <u>(8)</u>	<u>(8)</u>	<u>(8)</u>	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GINOLA LTD C/O OGIER FIDUCIARY SERVICES LIMITED ST. HELIER JERSEY CHANNEL ISLANDS JE49 WG			X	

Signatures

/s/ Jonathan White, Director of Ginola
Limited 12/24/2008

__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 by Rainbow Gate Corporation. The sole shareholder of the Reporting Person is also the sole shareholder of Rainbow Gate Corporation.
- These securities are owned solely by Crestflower Corporation, Mount Union Corp., and Chelsea Trust Company Limited, as trustee, as indicated. The Reporting Person disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that the Reporting Person is the beneficial owner of these securities.
- (3) The shares of Series B Convertible Preferred Stock have the rights and preferences set forth on the Certificate of Designations of Series B Convertible Preferred Stock filed with the Secretary of State for the State of Delaware on December 19, 2008. The Series B Convertible Preferred Stock has a stated value of \$1,000 per share and currently has a conversion price of \$0.75 per share.
- (4) Pursuant to the terms of the Exchange Agreement entered into with the Issuer on December 22, 2008, the unpaid principal and interest on its Amended and Restated 8% Senior Secured Convertible Note Due 2008 purchased pursuant to the Note Purchase Agreement, dated July 21, 2006, as amended on July 23, 2007, as part of a private placement with the Issuer, was exchanged into shares of Series B Convertible Preferred Stock. This exchange is being reported above as the cancellation of such Note and acquisition of the Series B Convertible Preferred Stock.
- (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 are exercisable immediately, will expire on April 25, 2010, and had an exercise price of \$3.45 per share, but due to the Issuer's execution of Amendment No. 3 to the Loan and Security Agreement with Moriah Capital, LP and the Issuer's execution of the Securities Purchase Agreement with Stillwater LLC and the Issuer's execution of the Exchange Agreement with the Reporting Person, Rainbow Gate Corporation and Navacorp III LLC, the warrants were re-priced to \$2.50 per share in accordance with the terms of the original warrant.
- (7) The warrants to purchase Issuer's Common Stock are exercisable immediately, will expire on April 2, 2013 and originally had an exercise price of \$1.30 per share, but due to the Issuer's execution of Amendment No. 3 to the Loan and Security Agreement with Moriah Capital, LP and the Issuer's execution of the Securities Purchase Agreement with Stillwater LLC and the Issuer's execution of the Exchange Agreement with the Reporting Person, Rainbow Gate Corporation and Navacorp III LLC, the warrants were re-priced to \$1.13 per share in accordance with the terms of the original warrant.
- (8) 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.

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.