SIPEX CORP Form 4 August 28, 2007

FORM 4

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

Check this box if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Form 5 obligations may continue. See Instruction

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(b).

1. Name and Address of Reporting Person * Cleveland Lee

2. Issuer Name and Ticker or Trading Symbol

SIPEX CORP [SIPX]

(First) (Middle) (Last)

3. Date of Earliest Transaction

(Month/Day/Year) 08/25/2007

C/O SIPEX CORPORATION, 233 SOUTH HILLVIEW DRIVE

(Street)

(State)

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

5. Relationship of Reporting Person(s) to

OMB

Number:

Expires:

response...

Estimated average

burden hours per

OMB APPROVAL

3235-0287

January 31,

2005

0.5

Issuer

below)

(Check all applicable)

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

below) Senior VP of Engineering

6. Individual or Joint/Group Filing(Check

Applicable Line)

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

Person

MILPITAS, CA 95035

(City)

Stock

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3)

(Zip)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

Form: Direct (D) or Indirect (I) (Instr. 4)

6. Ownership 7. Nature of Indirect Beneficial Ownership (Instr. 4)

(9-02)

Reported Transaction(s)

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

(A)

Common 08/25/2007 D 8,200 D (1) 0

D

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)

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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. Transactio Code (Instr. 8)	5. Number of orDerivative 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
Stock Option (right to buy)	\$ 3.8	08/25/2007		D		100,000	(2)	09/02/2013	Common Stock	100,000
Stock Option (right to buy)	\$ 3.8	08/25/2007		D		50,000	(3)	12/09/2014	Common Stock	50,000
Stock Option (right to buy)	\$ 8.5	08/25/2007		D		25,000	<u>(4)</u>	12/04/2016	Common Stock	25,000

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer Senior VP of Engineering	Other			
Cleveland Lee							
C/O SIPEX CORPORATION			Senior VP of				
233 SOUTH HILLVIEW DRIVE			Engineering				
MILPITAS, CA 95035							
0							

Signatures

/s/ Lee Cleveland, by Ray Wallin, Attorney-in-Fact

08/24/2007

**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) Disposed of pursuant to a merger agreement between issuer and Exar Corporation in exchange for 5,476 shares of Exar common stock having a market closing price of \$13.49 per share on August 24, 2007, the day before the effective time of the merger.
- Option was granted as a result of a reprice on September 6, 2005. This option, which provided for vesting of 1/4 of the shares subject to (2) the option each year beginning on September 2, 2003, the original date of the grant, was assumed by Exar Corporation in the merger and replaced with an option to purchase 66,790 shares of Exar common stock at an exercise price of \$5.69 per share.
- Option was granted as a result of a reprice on September 6, 2005. This option, which provided for vesting of 1/4 of the shares subject to (3) the option each year beginning on December 9, 2004, the original date of grant, was assumed by Exar Corporation in the merger and replaced with an option to purchase 33,395 shares of Exar common stock at an exercise price of \$5.69 per share.

Reporting Owners 2

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This option, which provided for vesting of 1/4 of the shares subject to the option on December 4, 2007 and in equal monthly installments (4) thereafter up to December 4, 2010, was assumed by Exar Corporation in the merger and replaced with an option to purchase 16,697 shares of Exar common stock at an exercise price of \$12.73 per share.

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.