

Precipio, Inc.
Form 4
July 03, 2017

FORM 4

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

OMB APPROVAL

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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 *
Rimer Mark

(Last) (First) (Middle)

C/O PRECIPIO, INC., 4 SCIENCE PARK

(Street)

NEW HAVEN, CT 06511

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Precipio, Inc. [PRPO]

3. Date of Earliest Transaction
(Month/Day/Year)
06/29/2017

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 (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) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---------|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 06/29/2017 | | A | | 424,270 | A | \$ 0 | 424,270 | I | By Chenies Investor LLC <u>(1)</u> |
| Common Stock | 06/29/2017 | | A | | 281,055 | A | \$ 0 | 281,055 | I | By Chenies Management LLC <u>(2)</u> |
| Common Stock | 06/29/2017 | | A | | 4,179 | A | \$ 0 | 4,179 | I | By Precipio Employee Holdings, LLC <u>(3)</u> |

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.

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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 Amount of Underlying Security (Instr. 3 and 4) | |
|---|--|--------------------------------------|--|--------------------------------|---|--|---|---|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Series A Senior Convertible Preferred Stock | (4) | 06/29/2017 | | A | 174,829 | (4) | (4) | Common Stock |
| Series A Senior Convertible Preferred Stock | (4) | 06/29/2017 | | A | 59,082 | (4) | (4) | Common Stock |
| Warrant to Purchase Common Stock | \$ 7 | 06/29/2017 | | A | 91,420 (5) | 06/29/2017(5) | 06/29/2022 | Common Stock |
| Call Option (right to buy) (7) | \$ 3.7363 | 06/29/2017 | | A | 214,113 (7) | (7) | (7) | Common Stock or Series A Senior Convertible Preferred Stock (7) |
| 8% Convertible Promissory Note | \$ 3.7363 | 06/29/2017 | | A | 20,073 (8) | (8) | (8) | Common Stock or Series A Senior Convertible Preferred Stock (8) |
| Warrant to Purchase Common | \$ 7.5 (9) | 06/29/2017 | | A | 2,500 | 06/29/2017 | 06/29/2022 | Common Stock |

Stock

Call Option

| | | | | | | | |
|----------------|----------------------|------------|---|---------|------------|------------|--------------|
| (right to buy) | \$ 1 ⁽¹⁰⁾ | 06/29/2017 | A | 263,332 | 06/29/2017 | 12/31/2017 | Common Stock |
|----------------|----------------------|------------|---|---------|------------|------------|--------------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Rimer Mark C/O PRECIPIO, INC. 4 SCIENCE PARK NEW HAVEN, CT 06511 | X | X | | |

Signatures

/s/ Mark Rimer 07/03/2017

**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) The Reporting Person is a managing member of Chenies Investor LLC.

(2) The Reporting Person is a managing member of Chenies Management LLC.

(3) The Reporting Person holds units of Precipio Employee Holdings, LLC.

(4) Each share of Series A Senior Convertible Preferred Stock is convertible into one share of Common Stock of the Issuer at any time and has no expiration date.

(5) The Warrant to Purchase Common Stock is exercisable as to 22,857 shares of Common Stock of the Issuer upon grant and as to 68,572 shares of Common Stock of the Issuer upon Kuzven Precipio Investor LLC's performance of certain obligations as set forth in the Warrant to Purchase Common Stock.

(6) The Reporting Person is a managing member of Kuzven Precipio Investor LLC.

(7) The 8% Convertible Promissory Note (the "Dominion Note") was issued to Dominion Capital LLC on June 29, 2017 in the principal amount of \$800,000 and is payable upon the earlier to occur of (i) October 1, 2017 or (ii) the closing of a Qualified Offering (as defined in the Dominion Note) (such date, the "Maturity Date"). At any time after the Maturity Date, the Dominion Note together with any accrued interest is convertible into shares of Common Stock of the Issuer. If the Issuer does not complete a Qualified Financing by October 1, 2017, the holder may convert the outstanding principal and interest of the Dominion Note into shares of the Issuer's Series A Senior Convertible Preferred Stock. Upon the closing of a Qualified Financing, the outstanding principal and interest of the Dominion Note will automatically be converted into shares of the Issuer's Series A Senior Convertible Preferred Stock. Kuzven Precipio Investor LLC has a call option on the Dominion Note.

(8) The 8% Convertible Promissory Note (the "Chenies Note") was issued to Chenies Investor LLC on June 29, 2017 in the principal amount of \$75,000 and is payable upon the earlier to occur of (i) October 1, 2017 or (ii) the closing of a Qualified Offering (as defined in the Chenies Note) (such date, the "Maturity Date"). At any time after the Maturity Date, the Chenies Note together with any accrued interest is convertible into shares of Common Stock of the Issuer. If the Issuer does not complete a Qualified Financing by October 1, 2017, the holder may convert the outstanding principal and interest of the Chenies Note into shares of the Issuer's Series A Senior Convertible Preferred Stock. Upon the closing of a Qualified Financing, the outstanding principal and interest of the Chenies Note will automatically be converted into shares of the Issuer's Series A Senior Convertible Preferred Stock.

(9)

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If the Issuer completes a Qualified Financing (as defined in the Warrant to Purchase Common Stock), the exercise price will become the lower of (i) \$7.50 or (ii) 110% of the per share offering price in such Qualified Financing, but in no event lower than \$1.50 per share.

- (10) Kuzven Precipio Investor LLC has the right to buy 263,332 shares of the Issuer's Common Stock for an aggregate purchase price of \$1.00.

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.