

SIEGEL RICHARD W  
Form 4  
January 05, 2006

**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 \*  
SIEGEL RICHARD W

2. Issuer Name and Ticker or Trading Symbol  
NANOPHASE TECHNOLOGIES CORPORATION [NANX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

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

1319 MARQUETTE DRIVE

01/03/2006

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

ROMEDEVILLE 60446

(City) (State) (Zip)

**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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock                    |                                      |  |                                | (A)<br>or<br>(D)<br>Code V Amount Price                           | 232,372   | D  |                                   |

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)**

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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. 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 Securities (Instr. 3 and 4) |              |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title        | Amount or Number of Shares |
| Common Stock (right to buy)                | \$ 1.727   |                                      |  |                                |   | 03/01/1997 <sup>(1)</sup>                                | 03/01/2006  | Common Stock | 13,896                     |
| Common Stock (right to buy)                | \$ 3.886   |                                      |  |                                |   | 11/07/1997 <sup>(2)</sup>                                | 11/07/2006  | Common Stock | 23,160                     |
| Common Stock (right to buy)                | \$ 5.25  |                                      |  |                                |   | 06/10/1999 <sup>(3)</sup>                                | 06/10/2008  | Common Stock | 2,000                      |
| Common Stock (right to buy)                | \$ 3.8125  |                                      |  |                                |   | 07/31/1999 <sup>(1)</sup>                                | 07/31/2008  | Common Stock | 11,600                     |
| Common Stock (right to buy)                | \$ 9.92  |                                      |  |                                |   | 06/05/2002 <sup>(3)</sup>                                | 06/05/2011  | Common Stock | 2,000                      |
| Common Stock (right to buy)                | \$ 3.78  |                                      |  |                                |   | 11/25/2003 <sup>(3)</sup>                                | 11/25/2012  | Common Stock | 2,000                      |
| Common Stock (right to buy)                | \$ 5.07  |                                      |  |                                |   | 06/26/2004 <sup>(3)</sup>                                | 06/26/2013  | Common Stock | 2,000                      |
| Deferred Common Stock                      | <u>(6)</u>   | 01/03/2006                           |  | A                              | 1,081   | <u>(5)</u>   | <u>(5)</u>  | Common Stock | 1,081                      |

## Reporting Owners

| Reporting Owner Name / Address                                | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| SIEGEL RICHARD W<br>1319 MARQUETTE DRIVE<br>ROMEDEVILLE 60446 |               | X         |         |       |

## Signatures

By Jess Jankowski, under UPA, for Richard W. Siegel 01/05/2006

        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) Subject to certain restrictions, beginning on this date, the options vest in five equal annual installments.
- (2) Subject to certain restrictions, 19,177 of these options vest in five equal annual installments beginning on 11/7/97, with the remainder vesting on 11/7/04.
- (3) Subject to certain restrictions, beginning on this date, the options vest in three equal annual installments.
- (4) 1,081 shares of common stock were to be granted under the Company's 2005 Non-Employee Director Restricted Stock Plan. Such shares are vested immediately but subject to certain transfer restrictions. Pursuant to such plan, the reporting person elected to defer receipt of such shares and receive instead 1,081 shares of deferred common stock which will be accounted for under the Company's Non-Employee Director Deferred Compensation Plan.
- (5) The deferred common stock becomes payable upon the reporting person's termination of service as a director of the Company.
- (6) Each share of deferred common stock represents a right to receive one share of common stock.

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.