

NANOPHASE TECHNOLOGIES CORPORATION
 Form 4
 November 03, 2006

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 *
JANKOWSKI JESS

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)
1319 MARQUETTE DRIVE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
11/03/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Chief Financial Officer

ROMEOVILLE, IL 60446

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

(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)
				(A) or (D) Code V Amount (D) Price			
Common Stock					1,000	I	Spouse's IRA
Common Stock					3,300	D	
Common Stock	11/03/2006		M	4,886 A	\$ 3,886 4,886	D	
Common Stock	11/03/2006		S	1,094 D	\$ 6.76 3,792	D	
Common Stock	11/03/2006		S	900 D	\$ 6.77 2,892	D	

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Common Stock	11/03/2006	S	400	D	\$ 6.78	2,492	D
Common Stock	11/03/2006	S	1,200	D	\$ 6.79	1,292	D
Common Stock	11/03/2006	S	1,292	D	\$ 6.8	0	D

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 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)	\$ 3.8125					07/31/1999 ⁽¹⁾	07/31/2008	Common Stock	11,600
Common Stock (right to buy)	\$ 7.6875					05/24/2001 ⁽²⁾	05/24/2010	Common Stock	21,775
Common Stock (right to buy)	\$ 10.875					01/26/2002 ⁽²⁾	01/26/2011	Common Stock	13,000
Common Stock (right to buy)	\$ 7.0625					02/28/2002 ⁽²⁾	02/28/2011	Common Stock	13,000
Common Stock (right to buy)	\$ 6.65					01/03/2003 ⁽²⁾	01/03/2012	Common Stock	20,000

buy)

Common Stock (right to buy)	\$ 3.66					03/24/2004 ⁽²⁾	03/24/2013	Common Stock	18,000
Common Stock (right to buy)	\$ 5.55					10/11/2005 ⁽²⁾	10/11/2014	Common Stock	11,000
Common Stock (right to buy)	\$ 6.03					09/27/2006 ⁽²⁾	09/27/2015	Common Stock	10,000
Common Stock (right to buy)	\$ 6.01					09/27/2007 ⁽²⁾	09/27/2016	Common Stock	15,000
Common Stock (right to buy)	\$ 3.886	11/03/2006		M	4,886	11/07/1997 ⁽³⁾	11/07/2006	Common Stock	14,475
Common Stock (right to buy)	\$ 1.75					07/27/2000 ⁽²⁾	07/27/2009	Common Stock	8,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
JANKOWSKI JESS 1319 MARQUETTE DRIVE ROMEOVILLE, IL 60446			Chief Financial Officer	

Signatures

Jess A. Jankowski 11/03/2006

**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, options vest in five equal installments.
- (2) Subject to certain restrictions, beginning on this date, options vest in three equal annual installments.

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- (3) Subject to certain restrictions, beginning on 11/07/1997, 11,986 options vest in five annual installments, with the remainder vesting on 11/7/2004.

Remarks:

Had these options not been exercised, they would have expired on Tuesday, November 7, 2006.

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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