

MURPHY JAMES R
Form 4
July 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 *
MURPHY JAMES R

2. Issuer Name and Ticker or Trading Symbol
BENTLEY PHARMACEUTICALS INC [BNT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
2 HOLLAND WAY

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
07/22/2008

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

EXETER, NH 03833

(City) (State) (Zip)

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

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) Code V Amount Price			
Common Stock, \$0.02 par value	07/22/2008		D	428,903 <u>(1)</u> \$ 14.8165 0	D		
Common Stock, \$0.02 par value	07/22/2008		D	12,111 <u>(1)</u> \$ 14.8165 0	I		Company-sponsored 401(k) Retirement Plan
Common Stock, \$0.02 par value	07/22/2008		D	100 <u>(2)</u> \$ 14.8165 0	I		By son

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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)

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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (Right to Buy)	\$ 5.3948	07/22/2008		D	75,000	01/03/2001	01/03/2010	Common Stock, \$0.02 par value	75,000
Option (Right to Buy)	\$ 5.3948	07/22/2008		D	17,400	01/01/2002	01/01/2011	Common Stock, \$0.02 par value	17,400
Option (Right to Buy)	\$ 5.5096	07/22/2008		D	57,600	05/09/2002	05/09/2011	Common Stock, \$0.02 par value	57,600
Option (Right to Buy)	\$ 8.9898	07/22/2008		D	50,000	01/03/2003	01/03/2012	Common Stock, \$0.02 par value	50,000
Option (Right to Buy)	\$ 8.9898	07/22/2008		D	50,000	01/03/2004	01/03/2012	Common Stock, \$0.02 par value	50,000
Option (Right to Buy)	\$ 7.392	07/22/2008		D	25,000	01/01/2004	01/01/2013	Common Stock, \$0.02 par value	25,000
Option (Right to Buy)	\$ 7.392	07/22/2008		D	25,000	01/01/2005	01/01/2013	Common Stock, \$0.02 par value	25,000

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Option (Right to Buy)	\$ 9.2194	07/22/2008	D	25,000	05/21/2004	05/21/2013	Common Stock, \$0.02 par value	25,000
Option (Right to Buy)	\$ 9.2194	07/22/2008	D	25,000	05/21/2005	05/21/2013	Common Stock, \$0.02 par value	25,000
Option (Right to Buy)	\$ 12.2129	07/22/2008	D	50,000	01/01/2005	01/01/2014	Common Stock, \$0.02 par value	50,000
Option (Right to Buy)	\$ 12.2129	07/22/2008	D	50,000	01/01/2006	01/01/2014	Common Stock, \$0.02 par value	50,000
Option (Right to Buy)	\$ 6.887	07/22/2008	D	50,000	03/30/2006	03/30/2015	Common Stock, \$0.02 par value	50,000
Option (Right to Buy)	\$ 6.887	07/22/2008	D	50,000	03/30/2007	03/30/2015	Common Stock, \$0.02 par value	50,000
Option (Right to Buy)	\$ 6.887	07/22/2008	D	50,000	03/30/2008	03/30/2015	Common Stock, \$0.02 par value	50,000
Option (Right to Buy)	\$ 10.8126	07/22/2008	D	45,666	05/23/2007	05/23/2016	Common Stock, \$0.02 par value	45,666
Option (Right to Buy)	\$ 10.8126	07/22/2008	D	45,667	05/23/2008	05/23/2016	Common Stock, \$0.02 par value	45,667
Option (Right to Buy)	\$ 10.8126	07/22/2008	D	45,667	07/22/2008 ⁽¹⁹⁾	05/23/2016	Common Stock, \$0.02 par value	45,667
Option (Right to Buy)	\$ 10.9871	07/22/2008	D	33,333	05/23/2008	05/23/2017	Common Stock, \$0.02 par value	33,333
	\$ 10.9871	07/22/2008	D	66,667	07/22/2008 ⁽¹⁹⁾	05/23/2017		66,667

Option (Right to Buy)								Common Stock, \$0.02 par value
Restricted Stock Units	(23)	07/22/2008	D	27,000	07/22/2008(24)	(24)		Common Stock, \$0.02 par value

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MURPHY JAMES R 2 HOLLAND WAY EXETER, NH 03833	X		Chairman and CEO	

Signatures

/s/ James R.
Murphy

07/24/2008

**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) Disposed of in connection with the merger of Beryllium Merger Corporation ("Acquisition Sub") with and into Bentley Pharmaceuticals, Inc. ("Bentley"), effective July 22, 2008 (the "Effective Time"), (the "Merger"), pursuant to the Agreement and Plan of Merger, dated as of March 31, 2008, by and among Bentley, Teva Pharmaceutical Industries, Ltd. and Acquisition Sub (the "Merger Agreement"). In connection with the Merger, each share of Common Stock listed in Table I was exchanged for the right to receive \$14.8165, per share in cash.
 - (2) Represents 100 shares of Common Stock held by Mr. Murphy's son, as to which Mr. Murphy disclaims beneficial ownership.
 - (3) This option was cancelled in the Merger in exchange for a cash payment \$706,627.50, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.
 - (4) This option was cancelled in the Merger in exchange for a cash payment \$163,937.58, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.
 - (5) This option was cancelled in the Merger in exchange for a cash payment \$536,077.44, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.
 - (6) This option was cancelled in the Merger in exchange for a cash payment \$291,335.00, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.
 - (7) This option was cancelled in the Merger in exchange for a cash payment \$291,335.00, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.
 - (8)

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This option was cancelled in the Merger in exchange for a cash payment \$185,612.50, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (9) This option was cancelled in the Merger in exchange for a cash payment \$185,612.50, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (10) This option was cancelled in the Merger in exchange for a cash payment \$139,927.50, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (11) This option was cancelled in the Merger in exchange for a cash payment \$139,927.50, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (12) This option was cancelled in the Merger in exchange for a cash payment \$130,180.00, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (13) This option was cancelled in the Merger in exchange for a cash payment \$130,180.00, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (14) This option was cancelled in the Merger in exchange for a cash payment \$396,475.00, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (15) This option was cancelled in the Merger in exchange for a cash payment \$396,475.00, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (16) This option was cancelled in the Merger in exchange for a cash payment \$396,475.00, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (17) This option was cancelled in the Merger in exchange for a cash payment \$182,842.10, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (18) This option was cancelled in the Merger in exchange for a cash payment \$182,846.10, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (19) Pursuant to the terms of the Merger Agreement, all options, whether or not exercisable or vested at the Effective Time, became, as of the Effective Time fully vested and exercisable.

- (20) This option was cancelled in the Merger in exchange for a cash payment \$182,846.10, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (21) This option was cancelled in the Merger in exchange for a cash payment \$127,645.39, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (22) This option was cancelled in the Merger in exchange for a cash payment \$255,294.61, representing the difference between the exercise price of the option and the merger consideration per share (\$14.8165) multiplied by the total number of shares of Common Stock underlying the option.

- (23) In connection with the Merger, each Restricted Stock Unit was converted into the right to receive \$14.8165 per share in cash.

- (24) Restricted Stock Units were granted under the terms of the Company's Amended and Restated 2005 Equity and Incentive Plan. Pursuant to the terms of the Merger Agreement, all restricted stock units, whether or not vested at the Effective Time, became, as of the Effective Time fully vested.

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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