

Keen Brandy Marie
Form 4
May 31, 2018

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

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 *
Keen Brandy Marie

2. Issuer Name and Ticker or Trading Symbol
Surna Inc. [SRNA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
6914 PEACE STREET
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
05/29/2018

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

FREDERICK, CO 80530
(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 Ownership Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

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.

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 | 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 | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|------------------------------------|--------------------------------------|--|--------------------------------|--|--|---|
|--|------------------------------------|--------------------------------------|--|--------------------------------|--|--|---|

Edgar Filing: Keen Brandy Marie - Form 4

| | Derivative Security | | | Disposed of (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title | Amount Number Shares |
|--|---------------------|------------|------------|---|-----------|------------------------|-----------------|-----------------|----------------------|
| | | Code | V | (A) | (D) | | | | |
| Restricted Stock Units <u>(1)</u> | \$ 0 <u>(1)</u> | 05/29/2018 | 05/29/2018 | A | 4,800,000 | <u>(1)</u> | <u>(1)</u> | Common Stock | 4,800 |
| Common Stock Repurchase Agreement <u>(2)</u> | \$ 0 <u>(2)</u> | 05/29/2018 | 05/29/2018 | J | | <u>0</u> <u>(2)</u> | <u>(2)</u> | Common Stock | <u>(2)</u> |
| Preferred Stock Option Agreement <u>(3)</u> | \$ 0 <u>(3)</u> | 05/29/2018 | 05/29/2018 | J | | <u>0</u> <u>(3)</u> | <u>(3)</u> | Preferred Stock | 35,189 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Keen Brandy Marie 6914 PEACE STREET FREDERICK, CO 80530 | | X | | |
| Keen Stephen Banks 6914 PEACE STREET FREDERICK, CO 80530 | | X | | |

Signatures

/s/ Brandy M. Keen 05/31/2018

**Signature of Reporting Person Date

/s/ Stephen B. Keen 05/31/2018

**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) On May 29, 2018, the Issuer's Board of Directors (the "Board") granted Brandy M. Keen a total of 4,800,000 restricted stock units ("RSUs"), which vest as follows: (i) 1,000,000 RSUs would vest on June 30, 2018, subject to her continued employment through the vesting date, (ii) 1,000,000 RSUs would vest on December 31, 2018, subject to her continued employment through the vesting date, (iii) 1,000,000 RSUs would vest on June 30, 2019, subject to her continued employment through the vesting date, (iv) 1,000,000 RSUs would

Edgar Filing: Keen Brandy Marie - Form 4

vest on December 31, 2019, subject to her continued employment through the vesting date, and (v) 800,000 RSUs would vest on April 30, 2020, subject to her continued employment through the vesting date. The foregoing RSUs would continue to vest if Ms. Keen's employment is terminated by the Issuer without cause.

On May 29, 2018, the Board approved, and the Issuer and Brandy M. and Stephen B. Keen (the "Keens") entered into, a Stock Repurchase Agreement under which the Issuer will repurchase a portion of the shares of the Issuer's common stock held by the Keens (the "Shares"), which number of Shares will be based on the repurchase price per share and would result in an aggregate maximum

- (2) repurchase price of \$400,000 (the "Repurchased Shares"). The Issuer's obligation to repurchase the Repurchased Shares is contingent on the closing of a private placement offering to accredited investors. The repurchase price per each Repurchased Share will be a price equal to: (i) 80% of the unit price paid by investors, or (ii) 100% of the share price paid by investors. The execution of the Stock Repurchase Agreement, and the sale of the Repurchased Shares by the Keens, are transactions exempt from Section 16(b) of the Exchange Act.

On May 29, 2018, the Board approved, and the Issuer and the Keens entered into, a Preferred Stock Option Agreement under which the Company has the right, but not the obligation, to acquire all 35,189,669 shares of preferred stock owned by the Keens (the "Preferred Stock"). Pursuant to the Preferred Stock Option Agreement, upon exercise of the option by the Issuer, the Issuer will issue one share of

- (3) common stock for each 1,000 shares of Preferred Stock purchased by the Issuer. The common stock issued upon exercise will be restricted shares. The option will expire on April 30, 2020. As consideration for the Keens' grant of the option, the Issuer will pay them \$5,000. The execution of the Preferred Stock Option Agreement, and the sale of the shares of Preferred Stock by the Keens upon exercise of the option by the Issuer, are transactions exempt from Section 16(b) of the Exchange Act.

Remarks:

On May 10, 2018, Brandy M. Keen resigned as the Issuer's Vice President and Secretary and as a member of the Issuer's Board.

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.