

Lieu Hsiao
Form 4
February 17, 2010

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

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 *
Lieu Hsiao

2. Issuer Name and Ticker or Trading Symbol
Nile Therapeutics, Inc. [NLTX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
02/15/2010

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

VP, Clinical Research

C/O NILE THERAPEUTICS, INC., 115 SANSOME STREET, SUITE #310

(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

SAN FRANCISCO, CA 94104

(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					100	D	

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)

Edgar Filing: Lieu Hsiao - Form 4

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
Stock Option (Right to Buy)	\$ 1.14	02/15/2010		A		63,750	(1)	07/07/2009	07/07/2019	Common Stock	101,250
Stock Option (Right to Buy)	\$ 4.45							(1)	01/16/2019	Common Stock	21,623
Stock Option (Right to Buy)	\$ 4.45							(2)	03/10/2018	Common Stock	200,000
Stock Option (Right to Buy)	\$ 0.88							01/16/2009	01/16/2019	Common Stock	31,003

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Lieu Hsiao C/O NILE THERAPEUTICS, INC. 115 SANSOME STREET, SUITE #310 SAN FRANCISCO, CA 94104	VP, Clinical Research

Signatures

/s/ Daron Evans as Attorney-in-Fact for Hsiao D. Lieu pursuant to Power of Attorney previously filed. 02/17/2010

__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 July 7, 2009, the Reporting Person was granted an option to purchase up to 150,000 shares of common stock of the Issuer, 37,500 of which were immediately exercisable. 75,000 of the shares subject to the option are based on the achievement of certain performance milestones (or a pro rata portion thereof for a five-month period of such milestones) following the date of grant. On February 15, 2010,

Edgar Filing: Lieu Hsiao - Form 4

the Reporting Person's right to purchase 63,750 shares of such 75,000-share installment vested based on the achievement of such milestones; the remaining 11,250 shares of such installment were forfeited. Vesting of the final 37,500 shares of the total grant are subject to certain other performance milestones (or a pro rata portion thereof), which have not yet been achieved.

(2) Exercisable as to 50,000 shares on 3/10/2009 and as to 4,167 shares each month thereafter for 36 months.

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.