

CENTELLA LAWRENCE J
 Form 4
 March 28, 2011

FORM 4

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

OMB APPROVAL

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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 *
 CENTELLA LAWRENCE J

(Last) (First) (Middle)

C/O NEPHROS, INC., 41 GRAND AVENUE

(Street)

RIVER EDGE, NJ US 07661

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 NEPHROS INC [NEPH.OB]

3. Date of Earliest Transaction (Month/Day/Year)
 03/24/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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 (Instr. 4)
Common Stock				(A) or (D) Code V Amount (D) Price	1,420 (1)	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 Security (Instr. 3 and 4)	Amount or Number of Shares
				Code V (A) (D)		Date Exercisable Expiration Date	Title	
Non-qualified stock option (right to buy)	\$ 0.51	03/24/2011		A	60,000	(2) 03/24/2021	Common Stock	60,000
Non-qualified stock option (right to buy)	\$ 19 (1)					(3) 01/08/2020	Common Stock	1,000 (1)
Non-qualified stock option (right to buy)	\$ 26.8 (1)					(4) 05/22/2017	Common Stock	500
Non-qualified stock option (right to buy)	\$ 51.4 (1)					(5) 02/02/2016	Common Stock	500
Non-qualified stock option (right to buy)	\$ 74 (1)					(6) 04/26/2015	Common Stock	500
Non-qualified stock option (right to buy)	\$ 96 (1)					(7) 12/14/2014	Common Stock	250

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CENTELLA LAWRENCE J C/O NEPHROS, INC. 41 GRAND AVENUE RIVER EDGE, NJ US 07661		X		

Signatures

/s/ Lawrence J. Centella
03/28/2011

**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) Reflects a twenty-for-one stock split effected on March 11, 2011.

On March 24, 2011, the Company granted Mr. Centella an option to purchase 60,000 shares of common stock of the Company under the

(2) Company's 2004 Equity Incentive Plan. The option vested immediately with respect to 24,000 shares. The remainder of the option vests in annual installments of 12,000 shares on each of the first, second and third anniversary of the grant date.

On January 8, 2010, the Company granted Mr. Centella an option to purchase 20,000 shares of common stock of the Company under the

(3) Company's 2004 Equity Incentive Plan. The option vested immediately with respect to 6,667 shares. The remainder of the option vests in annual installments of 6,667 shares on the first anniversary of the grant date, and 6,666 shares on the second anniversary of the grant date.

On May 22, 2007, the Company granted Mr. Centella an option to purchase 10,000 shares of common stock of the Company under the

(4) Company's 2004 Equity Incentive Plan. The option has vested with respect to all of the shares.

On February 2, 2006, the Company granted Mr. Centella an option to purchase 10,000 shares of common stock of the Company under the

(5) Company's 2004 Equity Incentive Plan. The option has vested with respect to all of the shares.

On April 26, 2005, the Company granted Mr. Centella an option to purchase 10,000 shares of common stock of the Company under the

(6) Company's 2004 Equity Incentive Plan. The option has vested with respect to all of the shares.

On December 14, 2004, the Company granted Mr. Centella an option to purchase 5,000 shares of common stock of the Company under

(7) the Company's 2004 Equity Incentive Plan. The option has vested with respect to all of the shares.

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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