FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

П

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL							
OMB Number:	3235-0287						
Expires:	December 31, 2014						
Estimated	average burden						
hours per response	0.5						

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

1. Name and Address of Reporting Person * Three Arch Management IV, L.L.C.			2. Issuer Name and Ticker or Trading Symbol ACELRX PHARMACEUTICALS INC [ACRX]	5. Relationship of Reporting Person(s) to Issuer				
(Last) (First) (Middle) 3200 ALPINE ROAD,			3. Date of Earliest Transaction (Month/Day/Year) 02/16/2011	(Check all applicable) Director X 10% Owner Officer (give title below) (specify below)				
(Street) PORTOLA VALLEY	СА	94028	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person				
(City)	(State)	(Zip)		X 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)	(· · · ·)	Execution Date,	Code	Transaction Acquire		equired (A) or sposed of (D) astr. 3, 4 and 5)		Beneficially Owned	6. Ownership Form: Direct (D)	Beneficial Ownership
			Code	v	Amount (A) or (D) Price		()	or Indirect (I) (Instr. 4)	(Instr. 4)	

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 Socurity	3. Transaction Date (Month/Day/Year)	Execution Date, Transaction Derivative Securities Exercisable		Date	ate Underlying		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned	10. Ownership Form of Derivative Security:	11. Nature of Indirect Beneficial Ownership (Instr. 4)				
	Security			Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		Following Reported Transaction(s) (Instr. 4)	Direct (D) or Indirect (I) (Instr. 4)	
Series C Convertible Preferred Stock	(7)	02/16/2011		с			24,878	(10)	(11)	Common Stock	24,878	\$0	0		See Footnote (4)
Warrant to purchase Series C Convertible Preferred Stock	(14)	02/16/2011		J		267 ⁽¹⁷⁾		(15)	(16)	Series C Preferred Stock	267	(17)	267	I	See Footnote (2)
Warrant to purchase Series C Convertible Preferred Stock	(14)	02/16/2011		x			267	(15)	(16)	Series C Preferred Stock	267	\$0	0	I	See Footnote (2)
Series C Convertible Preferred Stock	(14)	02/16/2011		x		267		(10)	(11)	Common Stock	267	\$0	267	I	See Footnote (2)
Series C Convertible Preferred Stock	\$ 5	02/16/2011		s			211 (23)	(10)	(11)	Common Stock	211	\$0	56	I	See Footnote (2)
Series C Convertible Preferred Stock	(7)	02/16/2011		с			56	(10)	(11)	Common Stock	56	\$ 0	0	1	See Footnote (2)
Warrant to purchase Series C Convertible Preferred Stock	(14)	02/16/2011		J		12,119 ⁽¹⁸⁾		(15)	(16)	Series C Preferred Stock	12,119	(18)	12,119	I	See Footnote (4)
Warrant to purchase Series C Convertible Preferred Stock	(14)	02/16/2011		x			12,119	(15)	(16)	Series C Preferred Stock	12,119	\$0	0	I	See Footnote (4)
Series C Convertible Preferred Stock	(14)	02/16/2011		x		12,119		(10)	(11)	Common Stock	12,119	\$ 0	12,119	1	See Footnote (4)
Series C Convertible Preferred Stock	\$ 5	02/16/2011		s			9,557 ⁽²⁴⁾	(10)	(11)	Common Stock	9,557	\$0	2,562	1	See Footnote (4)
Series C Convertible Preferred Stock	(7)	02/16/2011		с			2,562	(10)	(11)	Common Stock	2,562	\$0	0	1	See Footnote (4)
Convertible Promissory Note	(19)	02/16/2011		J		\$ 4,220.08 (17)		(19)	(19)	Common Stock	1,073	\$ 0	1,073	1	See Footnote (2)
Convertible Promissory Note	(20)	02/16/2011		J		\$ 191,131.94 (18)		(20)	(20)	Common Stock	48,605	\$0	48,605	1	See Footnote (4)
Convertible Promissory Note	(19)	02/16/2011		с			\$ 4,220.08	(19)	(19)	Common Stock	1,073	\$0	0	1	See Footnote (2)
Convertible Promissory Note	(20)	02/16/2011		с			\$ 191,131.94	(20)	(20)	Common Stock	48,605	\$ 0	0	I	See Footnote (4)
		dress of Repo agement IV, L.I		*											
(Last) 3200 A	LPINE RO	(First) DAD		(Middle	e)										
(Street) PORTO) DLA VALL	EY CA		94028											

(City) (Zip) (State)

1. Name and Address of Reporting Person *

THREE ARCH ASSOCIATES IV LP

(Last) 3200 ALPINE ROAD	(First)	(Middle)					
(Street) PORTOLA VALLEY	СА	94028					
(City)	(State)	(Zip)					
1. Name and Addres	s of Reporting Perso	n [*]					
(Last) C/O THREE ARCH F	(First) PARTNERS, 3200 ALF	(Middle) PINE RD					
(Street) PORTOLA VALLEY	CA	94028					
(City)	(State)	(Zip)					
1. Name and Addres	s of Reporting Perso E	n [*]					
(Last) C/O THREE ARCH F	(First) PARTNERS, 3200 ALF	(Middle) PINE RD					
(Street) PORTOLA VALLEY	CA	94028					
(City)	(State)	(Zip)					
1. Name and Address of Reporting Person [*] THREE ARCH PARTNERS IV LP							
(Last)	(First)	(Middle)					
(Street)							
(City)	(State)	(Zip)					

Explanation of Responses:

2. The shares are held by Three Arch Associates IV, L.P. The voting and dispositive decisions with respect to the shares held by Three Arch Associates IV, L.P., are made by the following Managing Members of its general partner Three Arch Management IV, L.L.C.: Mark Wan and Wilfred Jaeger, each of whom disclaims beneficial ownership of such shares.

4. The shares are held by Three Arch Partners IV, L.P. The voting and dispositive decisions with respect to the shares held by Three Arch Partners IV, L.P., are made by the following Managing Members of its general partner Three Arch Management IV, L.L.C.: Mark Wan and Wilfred Jaeger, each of whom disclaims beneficial ownership of such shares.

7. The shares reflect the automatic conversion of shares of the Issuer's Series C Convertible Preferred Stock into Common Stock on a onefor-one basis upon the closing of the Issuer's initial public offering.

10. Immediately convertible into shares of the Issuer's Common Stock.

11. These shares have no expiration date.

14. The exercise price is \$3.942 per share.

15. Immediately exercisable prior to and contingent upon the closing of the Issuer's initial public offering.

16. Pursuant to its terms, the warrant was to be terminated at the closing of the Issuer's initial public offering. Holder elected to net exercise the warrants immediately prior to the closing of the Issuer's initial public offering. In the event the Issuer's public offering did not occur, the warrant would have terminated on September 14, 2017, unless earlier terminated in accordance with its terms, in a liquidation or change of control transaction.

17. Pursuant to that certain Note and Warrant Transfer Agreement dated February 16, 2011, ACP IV, L.P. transferred (i) a convertible promissory note in the amount of \$4,292.76 including accrued interest and (ii) an associated warrant to purchase preferred stock of the

Issuer, exercisable into 267 shares of Series C Convertible Preferred Stock to Three Arch Associates IV, L.P., for a nominal consideration, contingent upon the closing of the Issuer's initial public offering.

18. Pursuant to that certain Note and Warrant Transfer Agreement dated February 16, 2011, ACP IV, L.P. transferred (i) a convertible promissory note in the amount of \$194,423.66 including accrued interest and (ii) an associated warrant to purchase preferred stock of the Issuer, exercisable into 12,119 shares of Series C Convertible Preferred Stock to Three Arch Partners IV, L.P., for a nominal consideration, contingent upon the closing of the Issuer's initial public offering.

19. A note with the principal amount plus accrued interest of \$4,292.76 converted automatically upon the closing of the Issuer's initial public offering into shares of Common Stock at a conversion price of \$4.00, which is 80.0% of the per share price of the Common Stock sold in the Issuer's initial public offering.

20. A note with the principal amount plus interest of \$194,423.66 converted automatically upon the closing of the Issuer's initial public offering into shares of Common Stock at a conversion price of \$4.00, which is 80.0% of the per share price of the Common Stock sold in the Issuer's initial public offering.

23. These shares represent the net exercise of a warrant to purchase Series C Convertible Preferred Stock for an acquisition of 56 shares of Series C Convertible Preferred Stock of the Issuer.

24. These shares represent the net exercise of a warrant to purchase Series C Convertible Preferred Stock for an acquisition of 2,562 shares of Series C Convertible Preferred Stock of the Issuer.

Remarks:

Form 2 of 2

<u>/s/ Stephen J. Bonelli,</u> <u>Attorney-in-fact</u> ** Signature of Reporting

Person

02/18/2011

⁹ Date

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

* 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). Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. **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 Number.