Najafi Ramin
Form 4
November 01, 2011

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
Najafi Ramin

(Last) (First) (Middle)

C/O NOVABAY PHARMACEUTICALS, INC., 5980 HORTON STREET, SUITE 550

(Street)

EMERYVILLE, CA 94608

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
NovaBay Pharmaceuticals, Inc. [NBY]

3. Date of Earliest Transaction (Month/Day/Year)
10/27/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) __X__ Other (specify below)
Chief Executive Officer / Chairman

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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)
			Code	V	Amount	(A) or (D)	Price			
Restricted Common Stock (1)	10/27/2011		A		50,000	A	$ 1.09	202,673	D	
Common Stock								3,117,500	I	By the Najafi Family Trust Dated September 13, 2006
								25,252	D	

Common Stock

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 Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (right to buy) (2)	$ 1.09	10/27/2011		A		70,000		10/27/2012	10/27/2021	Common Stock	70,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Najafi Ramin C/O NOVABAY PHARMACEUTICALS, INC. 5980 HORTON STREET, SUITE 550 EMERYVILLE, CA 94608	X		Chief Executive Officer	Chairman

Signatures

/s/ Theresa Granados, Attorney-in-Fact for Ramin Najafi	11/01/2011
**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) Dr. Najafi was granted 50,000 shares of Restricted Stock Units (RSU). Twenty-five percent (25%) of the RSUs will vest on the first anniversary of the date of grant, and the balance shall vest in a series of three (3) equal installments upon the completion of each year beginning October 27, 2012.

(2)

Twenty-five percent (25%) of the option shares vest and become exercisable on the first anniversary of the date of grant, and the balance of the option shares vest and become exercisable in a series of twelve (12) equal installments upon the completion of each three (3) months beginning October 27, 2012.

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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