

IPARTY CORP  
Form 4  
May 13, 2013

**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 \*  
VASSALLUZZO JOSEPH

(Last) (First) (Middle)

270 BRIDGE STREET, SUITE 301

(Street)

DEDHAM, MA 02026

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
IPARTY CORP [IPT]

3. Date of Earliest Transaction (Month/Day/Year)  
05/09/2013

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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	05/09/2013		D		351,915	D	0.45
							\$ (1)

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)**

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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 Securities (Instr. 3 and 4)	8. Pr Deriv Secur (Instr
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 0.52	05/09/2013		D	70,000	(2)	(4)	Common Stock	70,000 \$ 0
Stock Option (Right to Buy)	\$ 0.36	05/09/2013		D	25,000	(2)	(4)	Common Stock	25,000 \$ 0.
Stock Option (Right to Buy)	\$ 0.42	05/09/2013		D	25,000	(2)	(4)	Common Stock	25,000 \$ 0.
Stock Option (Right to Buy)	\$ 0.29	05/09/2013		D	25,000	(2)	(4)	Common Stock	25,000 \$ 0.
Stock Option (Right to Buy)	\$ 0.11	05/09/2013		D	25,000	(2)	(4)	Common Stock	25,000 \$ 0.
Stock Option (Right to Buy)	\$ 0.3	05/09/2013		D	25,000	(2)	(4)	Common Stock	25,000 \$ 0.
Stock Option (Right to Buy)	\$ 0.28	05/09/2013		D	25,000	(2)	(4)	Common Stock	25,000 \$ 0.
Stock Option (Right to Buy)	\$ 0.2	05/09/2013		D	40,000	(3)	(4)	Common Stock	40,000 \$ 0.
Stock Options (Right to Buy)	\$ 0.84	05/09/2013		D	75,000	(2)	(4)	Common Stock	75,000 \$ 0

Stock Option (Right to Buy)	\$ 0.93	05/09/2013		D	70,000	<u>(2)</u>	<u>(4)</u>	Common Stock	70,000	\$ 0
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
VASSALLUZZO JOSEPH 270 BRIDGE STREET SUITE 301 DEDHAM, MA 02026	X			

## Signatures

/s/ Joseph  
Vassalluzzo                      05/13/2013

\*\*Signature of                      Date  
Reporting Person

## 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).
- Pursuant to the Agreement and Plan of Merger among iParty Corp. (the "Issuer"), Party City Holdings Inc., and Confetti Merger Sub, Inc., a wholly-owned subsidiary of Party City Holdings Inc., dated March 1, 2013 (the "Merger Agreement"), each share of the Issuer's common stock was exchanged for \$0.45 in cash, without interest and less any applicable withholding taxes (the "Merger").
- (2) The stock options under this award were fully vested prior to the closing of the Merger.
  - (3) 30,000 of the stock options under this award were vested prior to the closing of the Merger. 10,000 of the stock options under this award accelerated and became fully vested as of the closing of the Merger.
  - (4) In connection with the Merger, the vested and/or exercisable portion of each Issuer stock option held by the Reporting Person was cancelled and, in exchange therefor, converted into the right to receive an amount in cash equal to the product of the number of shares issuable upon the exercise of such option and \$0.45 minus the exercise price of such option. The Reporting Person's options, if any, with an exercise price equal to or above \$0.45 were canceled in connection with the Merger.

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.