

| OMB APPROVAL | |
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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

| | | |
|---|---|--|
| 1. Name and Address of Reporting Person* <u>ASADORIAN RAFFI</u> (Last) (First) (Middle) C/O ACELRX PHARMACEUTICALS, INC. 351 GALVESTON DRIVE (Street) REDWOOD CA 94063 CITY (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>ACELRX PHARMACEUTICALS INC [ACRX]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Chief Financial Officer |
| | 3. Date of Earliest Transaction (Month/Day/Year) 03/03/2021 | |
| 4. If Amendment, Date of Original Filed (Month/Day/Year) | | |

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 | | | | |
| Common Stock ⁽¹⁾ | 03/03/2021 | | A | | 68,750 ⁽²⁾ | A | \$0.00 | 260,597 ⁽³⁾ | D | | |

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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|-------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | | Title |
| Stock Option (Right to Buy) | \$1.88 | 03/03/2021 | | A | | 137,500 | | (4) | 03/03/2031 | Common Stock | 137,500 | \$0.00 | 137,500 | D | |
| Stock Option (Right to Buy) | \$1.88 | 03/03/2021 | | A | | 68,750 | | (5)(6) | 03/03/2031 | Common Stock | 68,750 | \$0.00 | 68,750 | D | |

Explanation of Responses:

- Each restricted stock unit represents a contingent right to receive one share of the Issuer's common stock.
- The restricted stock units shall vest in three equal consecutive annual installments on March 3, 2022, March 3, 2023 and March 3, 2024.
- Balance includes acquisition of 8,548 shares of Common Stock through the Company's Employee Stock Purchase Plan.
- The shares subject to the option vest as follows: 25% of the shares subject to the option vest on the 12 month anniversary of the date of grant and the remaining shares subject to the option vest on an equal monthly basis over the following 36 months.
- On March 3, 2021, the Reporting Person was granted performance options subject to the satisfaction of share price targets over a performance period from March 3, 2021 to December 31, 2024 (the "Performance Period"), as determined by the Compensation Committee (the "Committee") of the Company's Board of Directors.
- The performance options shall be earned as follows: (i) 33% of the performance options if the Company's average closing stock price measured over a period of thirty consecutive trading days within the Performance Period equals or exceeds \$4.00, (ii) an additional 33% of the performance option if the Company's average closing stock price measured over a period of thirty consecutive trading days within the Performance Period equals or exceeds \$5.00, and (iii) 34% of the performance options if the Company's average closing stock price measured over a period of thirty consecutive trading days within the Performance Period equals or exceeds \$6.00. Once earned, the performance options will vest on the one-year anniversary of the date on which the Committee certified achievement of an applicable price target, so long as the reporting person remains in continuous service through such applicable vesting date.

Remarks:

/s/ Martha Adler, Attorney-In-Fact 03/05/2021

** Signature of Reporting Person 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.