

STILLWATER LLC  
Form 4  
April 16, 2010

**FORM 4**

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

OMB APPROVAL

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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 \*  
STILLWATER LLC

2. Issuer Name and Ticker or Trading Symbol  
EMAGIN CORP [EMAN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
15 EAST 62ND STREET  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
04/14/2010

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

NEW YORK, NY 10065-7204

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

6. Individual or Joint/Group Filing (Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**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                    | 04/14/2010                           |  | X                              |   | 240,385   | A<br>(1)   | \$ 1.13   | 2,934,120 | D |                             |
| Common Stock                    | 04/14/2010                           |  | S                              |   | 63,915  | D<br>(1)   | \$ 4.25   | 2,870,205 | D |                             |
| Common Stock                    | 04/14/2010                           |  | X                              |   | 875,467   | A<br>(2)   | \$ 1.03   | 3,745,672 | D |                             |
| Common Stock                    | 04/14/2010                           |  | S                              |   | 212,173   | D<br>(2)   | \$ 4.25   | 3,533,499 | D |                             |
| Common Stock                    | 04/14/2010                           |  | X                              |   | 29,742  | A<br>(3)   | \$ 2.5  | 305,826   | I | By Rainbow Gate Corporation |

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|              |            |   |         |                 |         |         |   |   |
|--------------|------------|---|---------|-----------------|---------|---------|---|---|
| Common Stock | 04/14/2010 | S | 17,496  | <u>D</u><br>(3) | \$ 4.25 | 288,330 | I | (4)<br>By Rainbow Gate Corporation<br>(4) |
| Common Stock | 04/14/2010 | X | 653,333 | <u>A</u><br>(5) | \$ 1.03 | 941,663 | I | By Rainbow Gate Corporation<br>(4)        |
| Common Stock | 04/14/2010 | S | 158,338 | <u>D</u><br>(5) | \$ 4.25 | 783,325 | I | By Rainbow Gate Corporation<br>(4)        |

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 Security (Instr. 3 and 4) |                         |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|-------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date | Title   | Amount Number of Shares |
| Stock Purchase Warrants (right to buy)     | \$ 1.13  | 04/14/2010                           |  | X                              | 240,385   | 04/02/2008   | 04/02/2013      | Common Stock  | 240,385                 |
| Stock Purchase Warrants (right to buy)     | \$ 1.03 <sup>(6)</sup>                                 | 04/14/2010                           |  | X                              | 875,467   | 12/22/2008   | 12/22/2013      | Common Stock  | 875,467                 |
| Stock Purchase Warrants (right to buy)     | \$ 2.5   | 04/14/2010                           |  | X                              | 29,742  | 11/03/2004   | 04/25/2010      | Common Stock  | 29,742                  |

|  |                        |            |   |         |            |               |              |         |
|--|------------------------|------------|---|---------|------------|---------------|--------------|---------|
| Stock Purchase Warrants (right to buy) | \$ 1.03                | 04/14/2010 | X | 653,333 | 07/23/2007 | 07/21/2011    | Common Stock | 653,333 |
| Series B Convertible Preferred Stock   | \$ 0.75 <sup>(7)</sup> |            |   |         | 12/22/2008 | <u>(7)(8)</u> | Common Stock | 5,377   |
| Series B Convertible Preferred Stock   | \$ 0.75 <sup>(7)</sup> |            |   |         | 12/22/2008 | <u>(7)(8)</u> | Common Stock | 937     |
| Stock Purchase Warrants (right to buy) | \$ 0.48 <sup>(9)</sup> |            |   |         | 04/09/2007 | 07/21/2011    | Common Stock | 1,000   |
| Stock Purchase Warrants (right to buy) | \$ 10 <sup>(10)</sup>  |            |   |         | 10/26/2008 | 10/20/2010    | Common Stock | 54,000  |

## Reporting Owners

| Reporting Owner Name / Address                                   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| STILLWATER LLC<br>15 EAST 62ND STREET<br>NEW YORK, NY 10065-7204 |               |           | X       |       |

## Signatures

Mortimer D.A. Sackler, President of Stillwater LLC

04/16/2010

\_\_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) Reporting Person elected to do a cashless exercise of Warrant No. 325 pursuant to Section 10(b) of such warrant because the requirements of such section were met due to the Issuer failing to have an effective registration statement covering the underlying shares of such warrant.
  - (2) Reporting Person elected to do a partial cashless exercise of Warrant No. 333 pursuant to Section 10(b) of such warrant because the requirements of such section were met due to the Issuer failing to have an effective registration statement covering the underlying shares of such warrant.

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(3) Rainbow Gate Corporation elected to do a cashless exercise of its Series F Warrant pursuant to Section 3(d) of such warrant because the requirements of such section were met due to the Issuer failing to have an effective registration statement covering the underlying shares of such warrant.

(4) These securities are owned solely by Rainbow Gate Corporation. The sole member of Reporting Person is the investment manager of Rainbow Gate Corporation, and this report shall not be deemed an admission that Reporting Person is the beneficial owner of these securities except to the extent of its pecuniary interest therein.

(5) Rainbow Gate Corporation elected to do a cashless exercise of Warrant No. ARW-310 pursuant to Section 2(b) of such warrant because the requirements of such section were met due to the Issuer failing to have an effective registration statement covering the underlying shares of such warrant.

(6) The Stock Purchase Warrants to purchase Issuer's Common Stock were acquired on December 22, 2008 as part of a private placement by the Issuer in accordance with the Securities Purchase Agreement, dated December 18, 2008, between the Issuer and the Reporting Person. The Stock Purchase Warrants have an exercise price of \$1.03, are exercisable immediately, and will expire on December 22, 2013.

(7) The shares of Series B Convertible Preferred Stock have the rights and preferences set forth on the Certificate of Designations of Series B Convertible Preferred Stock filed with the Secretary of State for the State of Delaware on December 19, 2008. The Series B Convertible Preferred Stock has a stated value of \$1,000 per share and currently has a conversion price of \$0.75 per share.

(8) The shares of Series B Convertible Preferred Stock were purchased on December 22, 2008 as part of a private placement with the Issuer in accordance with the Securities Purchase Agreement, dated December 18, 2008, between the Issuer and the Reporting Person.

(9) The warrants to purchase Issuer's Common Stock have an exercise price of \$0.48 per share, are exercisable immediately, and will expire on July 21, 2011.

(10) The warrants to purchase Issuer's Common Stock have an exercise price of \$10.00 per share, are exercisable immediately, and will expire on October 20, 2010.

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.