

INTERPHARM HOLDINGS INC  
Form 3  
November 19, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â Aisling Capital II LP		(Month/Day/Year)	INTERPHARM HOLDINGS INC [IPA]	
(Last)	(First)	(Middle)	11/08/2007	
88 SEVENTH AVE 30TH FL,Â		4. Relationship of Reporting Person(s) to Issuer		5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)		(Check all applicable)		6. Individual or Joint/Group Filing(Check Applicable Line)
NEW YORK,Â NYÂ 10106		<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input checked="" type="checkbox"/> Other (give title below)    (specify below)		<input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person
(City)	(State)	(Zip)	See Footnote 1	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock, par value \$.01 per share	548,315	D <sup>(1)</sup>	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable    Expiration Date	Title    Amount or Number of			

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				Shares		(I) (Instr. 5)	
Series C-1 Convertible Preferred Stock	Â (2)	Â (2)	Common Stock, par value \$.01 per share	4,474,276 (4)	\$ 1.5338	D (1)	Â
Warrant	Â (3)	09/11/2011	Common Stock, par value \$.01 per share	2,281,914 (4)	\$ 1.639	D (1)	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Aisling Capital II LP 88 SEVENTH AVE 30TH FL NEW YORK, NY 10106	Â	Â	Â	See Footnote 1
AISLING CAPITAL PARTNERS, LP 888 SEVENTH AVENUE 30TH FLOOR NEW YORK, NY 10106	Â	Â	Â	See Footnote 1
AISLING CAPITAL PARTNERS LLC 888 SEVENTH AVENUE 30TH FLOOR NEW YORK, NY 10106	Â	Â	Â	See Footnote 1
ELMS STEVE 888 SEVENTH AVE 29TH FL NEW YORK, NY 10106	Â	Â	Â	See Footnote 1
Purcell Dennis J AUXILIUM PHARMACEUTICALS, INC. 160 WEST GERMANTOWN PIKE NORRISTOWN, PA 19401	Â	Â	Â	See Footnote 1
SCHIFF ANDREW N PLANET ZANETT INC 135 E 57TH ST NEW YORK, NY 10022	Â	Â	Â	See Footnote 1

## Signatures

/s/ Dennis Purcell 11/15/2007

\*\*Signature of Reporting Person Date

/s/ Dennis 11/15/2007

Purcell

\*\*Signature of  
Reporting Person

Date

/s/ Dennis  
Purcell

11/15/2007

\*\*Signature of  
Reporting Person

Date

/s/ Steve Elms

11/15/2007

\*\*Signature of  
Reporting Person

Date

/s/ Dennis  
Purcell

11/15/2007

\*\*Signature of  
Reporting Person

Date

/s/ Andrew  
Schiff

11/15/2007

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 5(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) All of the securities reported herein are held for the account of Aisling Capital II, LP ("Aisling"). Aisling Capital Partners, LP, a Delaware limited partnership ("Aisling Partners"), is the general partner of Aisling. Aisling Capital Partners LLC, a Delaware limited liability company ("Aisling Partners GP"), is the general partner of Aisling Partners. Mr. Steve Elms, Mr. Dennis Purcell and Mr. Andrew Schiff are the managing members of Aisling Partners GP.

(2) The Series C-1 Convertible Preferred Stock reported in this Form 3 was issued to Aisling on September 11, 2006 and consists of 10,000 shares, par value \$0.01 that were initially convertible, at the holder's option, into shares of Common Stock at a conversion price of \$1.5338. The Series C-1 Preferred Stock has no expiration date.

(3) The warrant was issued to Aisling on September 11, 2006 and was immediately exercisable.

(4) The Certificate of Designation for the Series C-1 Preferred Stock contains a blocker provision (the "Blocker") under which a holder of the Series C-1 Preferred Stock does not have the right to convert the Series C-1 Preferred Stock into Common Stock to the extent that such conversion would result in beneficial ownership by such holder of more than 9.99% of the number of shares of Common Stock outstanding immediately after giving effect to such conversion. The Warrant contains a similar provision. As a result of the Blocker, the Reporting Persons are reporting in this Form 3 only those shares of the Common Stock that may be acquired upon the conversion of the Series C-1 Preferred Stock or the exercise of the warrant representing 9.99% of the current outstanding shares. If the Blocker were not in place, as of the date hereof, the Reporting Persons would report an additional 2,110,320 shares of Common Stock.

^

### Remarks:

(2) ^ Dennis ^ Purcell ^ is ^ signing ^ in ^ his ^ capacity ^ as ^ Senior ^ Managing ^ Director ^ of ^ Aisling ^ Capital ^ Partner  
^ Managing ^ Member ^ of ^ Aisling ^ Capital ^ Partners, ^ LP, ^ as ^ General ^ Partner ^ of ^ Aisling ^ Capital ^ II, ^ LP.

(3) ^ Dennis ^ Purcell ^ is ^ signing ^ in ^ his ^ capacity ^ as ^ Senior ^ Managing ^ Director ^ of ^ Aisling ^ Capital ^ Partner  
^ Managing ^ Member ^ of ^ Aisling ^ Capital ^ Partners, ^ LP.

(4) ^ Dennis ^ Purcell ^ is ^ signing ^ in ^ his ^ capacity ^ as ^ Senior ^ Managing ^ Director ^ of ^ Aisling ^ Capital ^ Partner

On ^ November ^ 8, ^ 2007, ^ Aisling ^ and ^ Tullis-Dickerson ^ Capital ^ Focus ^ III, ^ L.P. ^ ("TD ^ III") ^ were ^ granted ^  
^ "Proxy" ^ over ^ approximately ^ 35.7 ^ million ^ shares ^ of ^ Common ^ Stock ^ (the ^ "Proxy ^ Shares") ^ held ^ by ^ e  
^ Sutaria ^ or ^ by ^ LLCs ^ established ^ and ^ maintained ^ for ^ the ^ benefit ^ of ^ the ^ Sutaria ^ family. ^ Under ^ the  
^ of ^ a ^ designee ^ of ^ Aisling, ^ a ^ designee ^ of ^ TD ^ III ^ and ^ Perry ^ Sutaria ^ acting ^ by ^ majority ^ vote, ^ will

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with respect to (i) electing or removing members of the Board of Directors of the Issuer and (ii) additions, deletions or modifications to the Issuer's by-laws. As a result, the reporting persons may be a member of a "group" with TD III and Perry Sutaria, owning more than 10% of the common stock of the Issuer under the Exchange Act of 1934. The reporting persons disclaim beneficial ownership of any securities deemed to be owned by the reporting persons. This statement shall not be deemed an admission that the reporting persons is, for any or all purposes, a member of such a group.

See Exhibit 99.1

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.