

## INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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

<b>1. Name and Address of Reporting Person*</b> <u>MARIO ERNEST</u> <hr/> (Last) (First) (Middle) C/O CAPNIA, INC., 3 TWIN DOLPHIN DR, SUITE 160 <hr/> (Street) REDWOOD CA 94065 CITY <hr/> (City) (State) (Zip)	<b>2. Date of Event Requiring Statement (Month/Day/Year)</b> 11/12/2014	<b>3. Issuer Name and Ticker or Trading Symbol</b> <u>Capnia, Inc. [ CAPN ]</u> <hr/> <b>4. Relationship of Reporting Person(s) to Issuer (Check all applicable)</b> <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)	<b>5. If Amendment, Date of Original Filed (Month/Day/Year)</b> <hr/> <b>6. Individual or Joint/Group Filing (Check Applicable Line)</b> <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
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### 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)
No securities beneficially owned	0	D	

### 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: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Preferred Stock	(1)	(1)	Common Stock	48,885 <sup>(2)</sup>	(1)	D	
Preferred Stock	(1)	(1)	Common Stock	10,416 <sup>(3)</sup>	(1)	I	See Footnote <sup>(5)</sup>
Preferred Stock	(1)	(1)	Common Stock	10,416 <sup>(4)</sup>	(1)	I	See Footnote <sup>(6)</sup>
Options to purchase Common Stock	09/25/2008	09/25/2018	Common Stock	28,735 <sup>(7)</sup>	3.48	D	
Options to purchase Common Stock	09/25/2008	09/25/2018	Common Stock	51,264 <sup>(8)</sup>	3.48	D	
2010/2012 Convertible Promissory Notes	(9)	(9)	Common Stock	471,191.66 <sup>(9)</sup>	(9)	D	
2010/2012 Convertible Promissory Notes	(9)	(9)	Common Stock	260,470.89 <sup>(9)</sup>	(9)	I	See Footnote <sup>(10)</sup>
2010/2012 Convertible Promissory Notes	(9)	(9)	Common Stock	555,250.11 <sup>(9)</sup>	(9)	I	See Footnote <sup>(11)</sup>
2010/2012 Warrants to purchase Common Stock	02/10/2010	02/10/2020	Common Stock	66,639.54	(12)	D	
2010/2012 Warrants to purchase Common Stock	02/10/2010	02/10/2020	Common Stock	40,279.02	(12)	I	See Footnote <sup>(10)</sup>
2010/2012 Warrants to purchase Common Stock	02/10/2010	02/10/2020	Common Stock	106,739.4	(12)	I	See Footnote <sup>(11)</sup>
2014 Convertible Promissory Notes	(13)(14)	(13)(14)	Common Stock <sup>(13)</sup>	203,705.06 <sup>(13)</sup>	(13)	I	See Footnote <sup>(11)</sup>
2014 Convertible Promissory Notes	(13)(14)	(13)(14)	Warrant to purchase Common Stock <sup>(14)</sup>	203,705.06 <sup>(14)</sup>	(14)	I	See Footnote <sup>(11)</sup>

**Explanation of Responses:**

1. Each one (1) share of Series A Preferred, Series B Preferred Stock and Series C Preferred Stock is convertible into one (1) share of Issuer's Common Stock for no additional consideration and had no exercise or expiration date.
2. The reported shares represent 48,885 shares of Common Stock issuable upon the conversion of 48,885 shares of Series C Preferred Stock.
3. The reported shares represent 10,416 shares of Common Stock issuable upon the conversion of 10,416 shares of Series C Preferred Stock.
4. The reported shares represent 10,416 shares of Common Stock issuable upon the conversion of 10,416 shares of Series C Preferred Stock.

5. These shares are held directly by Ernest Mario 2008 Annuity Trust III ("E. Mario 2008 Trust"). Ernest Mario serves as trustee of the E. Mario 2008 Trust and may be deemed to be the beneficial owner of the shares held directly by E. Mario 2008 Trust. Ernest Mario disclaims beneficial ownership of the securities held by E. Mario 2008 Trust, except to the extent of such individual's pecuniary interests in the securities.
6. These shares are held directly by Mildred Mario 2008 Annuity Trust III ("M. Mario 2008 Trust"). Ernest Mario and Ernest Mario's spouse, Mildred Mario, serves as trustees of the M. Mario 2008 Trust and may be deemed to be the beneficial owner of the shares held directly by M. Mario 2008 Trust. Ernest Mario disclaims beneficial ownership of the securities held by M. Mario 2008 Trust, except to the extent of such individual's pecuniary interests in the securities.
7. The option was granted on September 25, 2008 and the shares subject to the option under the 1999 Incentive Stock Plan will vest and be exercisable according to the following schedule: one-forty-eighth (1/48th) of the total number of shares shall vest upon completion of one month continuous service beginning July 15, 2007 and 1/48th of such shares shall vest each month of continuous service thereafter.
8. The option was granted on September 25, 2008 and the shares subject to the option under the 1999 Incentive Stock Plan will vest and be exercisable according to the following schedule: one-forty-eighth (1/48th) of the total number of shares shall vest upon completion of one month continuous service beginning July 15, 2007 and 1/48th of such shares shall vest each month of continuous service thereafter.
9. The reported 2010/2012 Convertible Promissory Notes automatically convert into shares of Common Stock immediately prior to the closing of the Issuer's initial public offering, estimated to be on or about November 18, 2014. The reported securities will convert into Common Stock at a 75% of the Common Stock price in connection with such offering. The reported 2010/2012 Convertible Promissory Notes had no exercise date or expiration date.
10. These shares are held directly by Mario 2002 Grandchildren's Trust ("2002 Trust"). Ernest Mario serves as trustee of the 2002 Trust and may be deemed to be the beneficial owner of the shares held directly by 2002 Trust. Ernest Mario disclaims beneficial ownership of the securities held by 2002 Trust, except to the extent of such individual's pecuniary interests in the securities.
11. These shares are held directly by Mario Family Partners LP ("MFP"). Ernest Mario serves as general partner of the MFP and may be deemed to be the beneficial owner of the shares held directly by MFP. Ernest Mario disclaims beneficial ownership of the securities held by MFP, except to the extent of such individual's pecuniary interests in the securities.
12. The reported 2010/2012 Warrants to purchase Common Stock are exercisable for that number of shares of the Company's Common Stock equal to quotient obtained by dividing (x) 25% of the principal amount of the 2010/2012 Convertible Promissory Notes with which such 2010/2012 Warrants were issued (which 25% of the principal amount is set forth on Table II) by (y) 75% of the Common Stock price in connection with the Issuer's initial public offering, estimated to be on or about November 18, 2014. The exercise price will be 75% of the Common Stock price in connection with such offering.
13. The reported 2014 Convertible Promissory Notes are automatically convertible into shares of Common Stock upon the closing of the IPO, and such shares of Common Stock are included within an equivalent number of Units to be issued upon the automatic conversion of the 2014 Convertible Promissory Notes immediately prior to the closing of the initial public offering, with an aggregate conversion price equal to the aggregate principal amount, together with accrued interest, of the 2014 Convertible Promissory Notes, for a per Unit conversion price equal to 70% of the per Unit price issued in the Issuer's initial public offering. Each Unit consists of (i) one (1) share of Common Stock, and (ii) one (1) warrant to purchase one (1) share of Common Stock, referenced in footnote 14 below. The reported 2014 Convertible Promissory Notes had no exercise date or expiration date.
14. The reported 2014 Convertible Promissory Notes are automatically convertible into warrants to purchase shares of Common Stock upon the closing of the IPO, and such warrants to purchase shares of Common Stock are included within an equivalent number of Units to be issued upon the automatic conversion of the 2014 Convertible Promissory Notes immediately prior to the closing of the initial public offering, with an aggregate conversion price equal to the aggregate principal amount, together with accrued interest, of the 2014 Convertible Promissory Notes, for a per Unit conversion price equal to 70% of the per Unit price issued in the Issuer's initial public offering. Each Unit consists of (i) one (1) share of Common Stock, referenced in footnote 13 above, and (ii) one (1) warrant to purchase one (1) share of Common Stock. The reported 2014 Convertible Promissory Notes had no exercise date or expiration date.

**Remarks:**

/s/ Antoun Nabhan, Attorney-in-Fact      11/12/2014

\*\* 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 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).

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.**

POWER OF ATTORNEY

The undersigned, as a Section 16 reporting person of Capnia, Inc. (the "Company"), hereby constitutes and appoints Anish Bhatnagar, Antoun Nabhan and David D. O'Toole and each of them, the undersigned's true and lawful attorney-in-fact, to:

1. Prepare, execute in the undersigned's name and on the undersigned's behalf, and submit to the Securities and Exchange Commission (the "SEC") a Form ID, including amendments thereto, and any other documents necessary or appropriate to obtain EDGAR codes and passwords enabling the undersigned to make electronic filings with the SEC of reports required by Section 16(a) of the Securities Exchange Act of 1934 or any rule or regulation of the SEC;

2. Complete and execute Forms 3, 4 and 5 and other forms and all amendments thereto as such attorney-in-fact shall in his or her discretion determine to be required or advisable pursuant to Section 16 of the Securities Exchange Act of 1934 (as amended) and the rules and regulations promulgated thereunder, or any successor laws and regulations, as a consequence of the undersigned's ownership, acquisition or disposition of securities of the Company; and

3. Do all acts necessary in order to file such forms with the SEC, any securities exchange or national association, the Company and such other person or agency as the attorney-in-fact shall deem appropriate.

The undersigned hereby ratifies and confirms all that said attorneys-in-fact and agent shall do or cause to be done by virtue hereof. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934 (as amended).

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms ID, 3, 4 and 5 with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the Company and the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 11 day of August, 2014.

Ernest Mario

/s/ Ernest Mario

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Signature