SEC Form 4

FORM 4

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

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

1. Name and Address of Reporting Person*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)

MCINERNEY TIMOTHY

(Last)   (First)   (Middle)

PARAMOUNT BIOCAPITAL

787 SEVENTH AVENUE, 48TH FLOOR

(Street)

NEW YORK   NY   10019

(City)   (State)   (Zip)

2. Issuer Name **and** Ticker or Trading Symbol

MANHATTAN PHARMACEUTICALS INC [MHA]

3. Date of Earliest Transaction (Month/Day/Year)
02/01/2006

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

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)

X Director   10% Owner

  Officer (give title below)   Other (specify below)

6. Individual or Joint/Group Filing (Check Applicable Line)

X 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock								612,142	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	Amount or Number of Shares				
Warrant	$1.1							(1)	11/05/2008	Common Stock	58,642		58,642	D	
Option	$0.97							(2)	09/27/2014	Common Stock	100,000		100,000	D	
Director Stock Option[3]	$1							(4)	01/11/2015	Commn Stock	25,000		25,000	D	
Warrant	$1.44	02/01/2006		J[5]		29,721		(1)	08/30/2010	Common Stock	29,721	(5)	29,721	D	
Warrant	$1.49	02/01/2006		J[5]		27,500		(1)	08/30/2010	Common Stock	27,500	(5)	27,500	D	

Explanation of Responses:

1. Immediately.

2. 33,334 shares vest on 9/27/04; and 33,333 shares vest on each of 9/27/05 and 9/27/06.

3. Under the 2003 Stock Option Plan

4. 8,334 shares vest on 1/11/05; 8,333 shares vest on each of 1/11/06, and 1/11/07.

5. Allocated from warrant issued to a placement agent for services rendered.

/s/ Timothy McInerney   02/02/2006

** 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.