

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

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* <u>Ramasastry Saira</u> (Last) (First) (Middle) <u>C/O INNOVATE BIOPHARMACEUTICALS, INC.,</u> <u>8480 HONEYCUTT ROAD, SUITE 120</u> (Street) <u>RALEIGH NC 27615</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>INNOVATE BIOPHARMACEUTICALS, INC. [INNT]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>12/04/2018</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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			

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					
Stock Option (Right to Buy)	\$6.94	12/04/2018 ⁽¹⁾		A		50,000		(1)	09/21/2028	Common stock	\$0	50,000	D	
Stock Option (Right to Buy)	\$2.41	12/04/2018		A		25,000		(2)	12/04/2028	Common stock	\$0	25,000	D	

Explanation of Responses:

- Grant to the reporting person of stock options under the Innovate Biopharmaceuticals, Inc. 2012 Omnibus Incentive Plan (the "Plan") that was approved by the Compensation Committee of the Board of Directors of Innovate Biopharmaceuticals, Inc. (the "Company") on September 21, 2018, subject to stockholder approval of an amendment to the Plan (the "Plan Amendment"). The Company's stockholders approved the Plan Amendment on December 4, 2018. 13,750 of these options vested on September 21, 2018, and 36,250 options vest monthly thereafter over 29 months.
- Grant to the reporting person of stock options under the Innovate Biopharmaceuticals, Inc. 2012 Omnibus Incentive Plan. These stock options vest in 36 equal monthly installments.

Remarks:

/s/ Kendyle Woodard, as 12/07/2018
Attorney-in-Fact

** 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.