

BONANNO RAYMOND J
 Form 4
 January 06, 2011

FORM 4

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

OMB APPROVAL

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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 *
 BONANNO RAYMOND J

2. Issuer Name and Ticker or Trading Symbol
 SPICY PICKLE FRANCHISING INC [SPKL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 12/31/2010

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

90 MADISON STREET, #700

(Street)

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

DENVER, CO 80206

(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)
Common Stock				(A) Code V Amount (D) Price	1,808,489	I	Raymon J. BonAnno and Joan E. BonAnno JTWROS
Common Stock					2,293,045	I	The BonAnno Family Partnership, LLP

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(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 Options	\$ 0.2					<u>(1)</u>	01/25/2012	Common Stock	100
Warrants	\$ 0.2					<u>(2)</u>	09/22/2014	Common Stock	90
Stock Options	\$ 0.17					11/24/2008	11/24/2013	Common Stock	500
Warrants	\$ 0.19					09/22/2009	09/22/2014	Common Stock	769
Convertible note due 5/1/13	\$ 0.13					09/30/2009	05/01/2013	Common Stock	2,360
Convertible note due 5/1/13	<u>(3)</u>					09/30/2009	<u>(3)</u>	Warrants	150

Stock										
Options	\$ 0.085	12/31/2010		A	200,000	12/31/2010	12/31/2015	Common	200	
(Common Stock)								Stock		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BONANNO RAYMOND J 90 MADISON STREET, #700 DENVER, CO 80206			X	

Signatures

Raymond J. BonAnno	01/05/2011
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**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) On January 25, 2007, the Reporting Person was granted an incentive stock option under the Issuer's 2006 Option Plan to purchase 100,000 shares of common stock originally at an exercise price of \$0.25 per share. The options are exercisable as to (i) 50,000 shares immediately upon date of grant; (ii) 25,000 on the 1st anniversary of date of grant; and (iii) 25,000 on the 2nd anniversary of date of grant.

(2) Acquired on December 14, 2007 in connection with a private placement financing transaction. The warrants are exercisable at any time, at the holder's election. On September 22, 2009, the exercise price was lowered to \$0.20 and the expiration date was extended to September 22, 2014.

(3) On September 30, 2009, Mr. BonAnno was issued a convertible note for \$307,656.89 from the Issuer. The note is convertible at any time into shares at the rate of \$0.13 per share. In addition, for every \$2.00 converted, Mr. BonAnno will receive a warrant to purchase one share of common stock with the exercise price to be 120% of the average of the volume weighted average prices for the 10 trading days preceding conversion.

(4) On 12/31/10 the Reporting Person was granted an incentive stock option under the Issuer's 2006 Option Plan to purchase 200,000 shares of common stock at an exercise price of \$0.085 per share. The options are fully vested on grant date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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