

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
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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* Savel Robert Michael II			2. Issuer Name and Ticker or Trading Symbol OTONOMY, INC. [OTIC]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Chief Technical Officer		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 01/19/2018			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		
C/O OTONOMY, INC. 4796 EXECUTIVE DRIVE			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) SAN DIEGO CA 92121								
(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)
			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					
Employee Stock Option (right to buy)	\$34.12	01/19/2018		D		30,000		(1)	12/10/2024	Common Stock	30,000	(2)	0 ⁽³⁾	D
Employee Stock Option (right to buy)	\$14.44	01/19/2018		D		55,000		(4)	02/28/2026	Common Stock	55,000	(5)	0 ⁽³⁾	D
Employee Stock Option (right to buy)	\$14	01/19/2018		D		50,000		(6)	03/05/2027	Common Stock	50,000	(7)	0 ⁽³⁾	D
Employee Stock Option (right to buy)	\$5.675	01/19/2018		A		20,000		(8)	01/18/2026	Common Stock	20,000	(2)	20,000 ⁽³⁾	D
Employee Stock Option (right to buy)	\$5.675	01/19/2018		A		36,666		(9)	01/18/2026	Common Stock	36,666	(5)	36,666 ⁽³⁾	D
Employee Stock Option (right to buy)	\$5.675	01/19/2018		A		33,333		(10)	01/18/2026	Common Stock	33,333	(7)	33,333 ⁽³⁾	D

Explanation of Responses:

- One-fourth (1/4) of the shares subject to the option vest on December 11, 2015 and one forty-eighth (1/48) of the shares vest monthly thereafter.
- On January 19, 2018, in connection with the Issuer's option exchange program, the Issuer cancelled an option for 30,000 shares of common stock granted to the Reporting Person on December 11, 2014. In exchange, the Reporting Person received an option grant for 20,000 shares of common stock with exercise price of \$5.675 per share.
- In addition to the options acquired and disposed of as set forth in Table II, the Reporting Person currently holds options to purchase up to an aggregate of 112,041 shares of common stock, which options vest according to their terms.
- One-fourth (1/4) of the shares subject to the option vest on March 1, 2017 and one forty-eighth (1/48) of the shares vest monthly thereafter.
- On January 19, 2018, in connection with the Issuer's option exchange program, the Issuer cancelled an option for 55,000 shares of common stock granted to the Reporting Person on March 1, 2016. In exchange, the Reporting Person received an option grant for 36,666 shares of common stock with exercise price of \$5.675 per share.
- One-fourth (1/4) of the shares subject to the option vest on March 6, 2018 and one forty-eighth (1/48) of the shares vest monthly thereafter.
- On January 19, 2018, in connection with the Issuer's option exchange program, the Issuer cancelled an option for 50,000 shares of common stock granted to the Reporting Person on March 6, 2017. In exchange, the Reporting Person received an option grant for 33,333 shares of common stock with exercise price of \$5.675 per share.
- Of the 20,000 total shares subject to the option, 17,917 shares vest on January 19, 2019. Of the remaining 2,083 shares subject to the option, one-third (1/3) of these shares vest on January 19, 2019, and one thirty-sixth (1/36) of these shares vest monthly thereafter.
- Of the 36,666 total shares subject to the option, 21,388 shares vest on January 19, 2019. Of the remaining 15,278 shares subject to the option, one-third (1/3) of these shares vest on January 19, 2019, and one thirty-sixth (1/36) of these shares vest monthly thereafter.

10. Of the 33,333 total shares subject to the option, 11,111 shares vest on January 19, 2019. Of the remaining 22,222 shares subject to the option, one-third (1/3) of these shares vest on January 19, 2019, and one thirty-sixth (1/36) of these shares vest monthly thereafter.

Remarks:

/s/ Paul E. Cayer, by power of attorney 01/23/2018

** 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.

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