

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

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>SABBY MANAGEMENT, LLC</u>  (Last) (First) (Middle) 10 MOUNTAINVIEW ROAD SUITE 205  (Street) UPPER SADDLE RIVER NJ 07458  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ReShape Lifesciences Inc. [ RSL ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director <input checked="" type="checkbox"/> 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 01/31/2019	

**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	01/31/2019		P		10,301	A	\$0.2733	1,192,507	I <sup>(1)(2)</sup>	See Footnotes <sup>(1)(2)</sup>
Common Stock	02/01/2019		P		1,192,000 <sup>(3)</sup>	D	<sup>(3)</sup>	507	I <sup>(1)(2)</sup>	See Footnotes <sup>(1)(2)</sup>

**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					
Series E Convertible Preferred Stock	<sup>(3)</sup>	02/01/2019		J <sup>(3)</sup>		1,192,000 <sup>(3)</sup>		02/01/2019 <sup>(3)</sup>	02/01/2039	Common Stock <sup>(3)</sup>	<sup>(3)</sup>	1,192,000 <sup>(3)</sup>	I <sup>(1)(2)</sup>	See Footnotes <sup>(1)(2)(3)</sup>

**Explanation of Responses:**

- This Form 4 is being filed by Sabby Volatility Warrant Master Fund, Ltd. ("SVWMF"), Sabby Management, LLC ("Advisor") and Hal Mintz. Advisor is the investment manager of SVWMF. Mr. Mintz is manager of Advisor.
- The amounts reported herein reflect the entire amount of the specified Issuer's security held by SVWMF as of each transaction date. Each of Advisor and Mr. Mintz disclaims for purposes of Section 16 of the Securities and Exchange Act of 1934 ("Section 16"), beneficial ownership of such securities, except to the extent of its/his pecuniary interest therein, and this report shall not be deemed as an admission that either Advisor or Mr. Mintz is the beneficial owner of such securities for purposes of Section 16 or otherwise.
- On January 31, 2019, pursuant to Section 3(a)(9) of the Securities Act of 1933, SVWMF entered into an exchange agreement with the Issuer for the exchange of 1,192,000 shares of common stock for an equal number of shares of Series E Convertible Preferred Stock ("Preferred Stock"). Each share of Preferred Stock is convertible into one share of common stock at the election of SVWMF, provided that the Preferred Stock includes a provision which limits the holder's right to convert shares of Preferred Stock into common stock such that its beneficial ownership may not exceed 9.99% of the Issuer's outstanding common stock.

/s/ Robert Grundstein, COO and General Counsel of Sabby Management, LLC      02/04/2019

\*\* 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.