Souders Donald E. Jr. Form 3 September 28, 2010

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF

SECURITIES

response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting 2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol Person * Statement UNITY BANCORP INC /NJ/ [unty] Souders Donald E. Jr. (Month/Day/Year) 09/28/2010 (Last) (First) (Middle) 4. Relationship of Reporting 5. If Amendment, Date Original Person(s) to Issuer Filed(Month/Day/Year) C/O UNITY BANK, 64 OLD (Check all applicable) HIGHWAY 22 (Street) 6. Individual or Joint/Group 10% Owner _X_ Director Officer __X__ Other Filing(Check Applicable Line) (give title below) (specify below) _X_ Form filed by One Reporting Unity Bank Person CLINTON, NJÂ 08809 Form filed by More than One Reporting Person (City) (State) (Zip) Table I - Non-Derivative Securities Beneficially Owned 1. Title of Security 2. Amount of Securities 4. Nature of Indirect Beneficial Beneficially Owned Ownership Ownership (Instr. 4) (Instr. 5) (Instr. 4) Form: Direct (D) or Indirect (I) (Instr. 5) Â Common Stock (1) $1,200^{(1)}$ D Common Stock (2) $1,200^{(2)}$ D Reminder: Report on a separate line for each class of securities beneficially SEC 1473 (7-02) owned directly or indirectly. 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 control number.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative	2. Date Exercisable and	3. Title and Amount of	4.	5.	6. Nature of Indirect
Security	Expiration Date	Securities Underlying	Conversion	Ownership	Beneficial
(Instr. 4)	(Month/Day/Year)	Derivative Security	or Exercise	Form of	Ownership
		(Instr. 4)	Price of	Derivative	(Instr. 5)

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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		Security: Direct (D) or Indirect (I) (Instr. 5)	
Stock Options (3)	12/20/2008(3)	12/20/2017	Common Stock	4,200	\$ 7.1	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships					
·L. · · · · · · · · · · · · · · · · · ·	Director	10% Owner	Officer	Other		
Souders Donald E. Jr. C/O UNITY BANK 64 OLD HIGHWAY 22 CLINTON. NJ 08809	ÂX	Â	Â	Unity Bank		

Signatures

Donald E. Souders, Jr., poa Linda B.

McDermott

09/28/2010

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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) Retricted Stock from the 2004 Stock Bonus Plan, which vests one-quarter per year commencing December 10, 2010.
- (2) Restricted Stock from the 2004 Stock Bonus Plan, which vests one-quarter per year commencing September 23, 2011.
- (3) Non-Qualified Stock Option from the 2006 SOP, which vests one-third per year commencing December 20, 2008.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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