

## INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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* <u>O'Dwyer Donal</u>  (Last) (First) (Middle) <u>12988 VALLEY VIEW ROAD</u>  (Street) <u>EDEN PRAIRIE MN 55344</u>  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>02/14/2012</u>	3. Issuer Name and Ticker or Trading Symbol <u>Sunshine Heart, Inc. [ SSH ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)	5. 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 Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	10,370	I	Family Trust <sup>(1)</sup>
Common Stock	38,791	I	Pension Trust <sup>(2)</sup>

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Employee Stock Option (right to buy)	(3)	07/05/2014	Common Stock	485	101.74	D	
Employee Stock Option (right to buy)	(4)	08/17/2021	Common Stock	11,200	7.1218	D	
Common Stock Warrant (right to buy)	(5)	12/08/2014	Common Stock	9,150	6.5114	D	

## Explanation of Responses:

- Dundrum Investments P/L is the trustee and the reporting person's spouse has the authority to change the trustee.
- The reporting person and his spouse jointly have the power to make investment and voting decisions.
- Fully vested.
- The option vests as to 1/48th of the shares each month with (i) 6 months of shares vesting on August 18, 2011 and (ii) the remaining shares vesting equally for 42 consecutive months beginning September 17, 2011.
- Immediately exercisable.

/s/ Kassandra D. Galindo,  
attorney-in-fact02/14/2012

\*\* 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 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).

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.

POWER OF ATTORNEY

I, Donal O'Dwyer, hereby authorize and designate each of Jeffrey Mathiesen, Jonathan R. Zimmerman, Matthew R. Kuhn, James R. DeBuse, Kassendra D. Galindo, Julie Regnier and Lauren Graff in signing singly, as my true and lawful attorney-in-fact:

(1) execute for and on behalf, in my capacity as an officer, director and/or greater than 10% stockholder of Sunshine Heart, Inc. (the "Company"), Forms ID, 3, 4, and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and the rules and regulations promulgated thereunder;

(2) do and perform any and all acts for and on my behalf which may be necessary or desirable to complete and execute any such Forms ID 3, 4, or 5 and timely file such form with the Securities and Exchange Commission, and any stock exchange or similar authority; and

(3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be to my benefit, in my best interest, or legally required of me, it being understood that the statements executed by such attorney-in-fact on my behalf pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

I hereby further grant to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this Power of Attorney and the rights and powers herein granted. I hereby acknowledge that the foregoing attorneys-in-fact, in serving in such capacity at my request, are not assuming, nor is the Company or any such attorney-in-fact's substitute or substitutes assuming, nor is the Company or any such attorney-in-fact's substitute or substitutes assuming, any of my responsibilities to comply with Section 16 of the Securities Exchange Act.

This Power of Attorney shall remain in full force and effect I am no longer required to file Forms ID, 3, 4, and 5 with respect to my holdings of and transactions in securities issued by the Company, unless earlier revoked by me in a signed writing delivered to the foregoing attorneys-in-fact. Notwithstanding the foregoing, if any such attorney-in-fact hereafter ceases to be at least one of the following: (i) a partner of Faegre & Benson LLP, (ii) an employee of Faegre & Benson LLP, or (iii) an employee of Sunshine Heart, Inc., as applicable, this Power of Attorney shall be automatically revoked solely as to such individual, immediately upon such cessation, without any further action on my part.

I hereby revoke all previous Powers of Attorney that may have been granted by me in connection with my reporting obligations, if any, under Section 16 of the Exchange Act with respect to my holdings of and transactions in securities issued by the Company.

IN WITNESS WHEREOF, I have caused this Power of Attorney to be duly executed as of this 13th day of October, 2011.

