

MONAHAN MICHAEL P.
Form 4
March 11, 2019

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 *
MONAHAN MICHAEL P.

(Last) (First) (Middle)

600 OFFICE CENTER DRIVE

(Street)

FORT WASHINGTON, PA 19034

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

NUTRI SYSTEM INC /DE/ [NTRI]

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

03/08/2019

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chief Financial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Ownership (Instr. 4)
			Code	V	Amount or Price (A) or (D)		
Common Stock	03/08/2019		D		110,625 (1) (2)	D	
Common Stock	03/08/2019		A		6,259 (5) (6)	D	
Common Stock	03/08/2019		A		20,202 (7) (8)	D	
Common Stock	03/08/2019		A		19,924 (7) (8)	D	

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 Underlying (Instr. 3 and 4)
Option to Purchase Common Stock	\$ 20.94	03/08/2019		D ⁽⁵⁾	6,259	01/04/2019 01/04/2023	Common Stock
Performance-Based Restricted Stock Units	<u>(8)</u>	03/08/2019		D ⁽⁷⁾	20,202	<u>(3)(4)</u> <u>(3)(4)</u>	Common Stock
Performance-Based Restricted Stock Units	<u>(8)</u>	03/08/2019		D ⁽⁷⁾	19,924	<u>(3)(4)</u> <u>(3)(4)</u>	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MONAHAN MICHAEL P. 600 OFFICE CENTER DRIVE FORT WASHINGTON, PA 19034			Chief Financial Officer	

Signatures

/s/ Michael P. Monahan 03/11/2019

**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) This amount includes 10,202 shares of Issuer Common Stock subject to restricted stock awards that, subject to the terms of the Issuer's Amended and Restated 2008 Long-Term Incentive Plan, as amended (the "Plan") and the applicable award agreement issued thereunder, were previously granted to the Reporting Person and, as of the Effective Time, were converted into the right to receive an amount in

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time-vesting restricted Tivity Health Common Stock as described in Footnotes 3 and 4.

- (2) This amount includes 21,368 shares of Issuer Common Stock subject to PRSUs that, subject to the terms of the Plan and the applicable award agreement issued thereunder, were previously granted to the Reporting Person and, as of the Effective Time, were converted into the right to receive an amount of time-vesting restricted Tivity Health Common Stock as described in Footnotes 3 and 4.

- (3) As of the effective time (the "Effective Time") of the transactions contemplated by the Agreement and Plan of Merger, dated December 9, 2018, by and among the Issuer, Tivity Health, Inc. ("Tivity Health"), and Sweet Acquisition Sub Inc., a wholly owned subsidiary of Tivity Health (the "Merger Agreement"), (i) each share of the Issuer's common stock, \$0.001 par value per share ("Issuer Common Stock") held by the Reporting Person was converted into the right to receive (a) \$38.75 in cash and (b) 0.2141 shares of Tivity Health common stock, par value \$0.001 per share ("Tivity Health Common Stock"), plus cash in lieu of a fractional share of Tivity Health Common Stock; (ii) each option to purchase Issuer Common Stock held by the Reporting Person was cancelled and converted into the right to receive, in respect of each Net Option Share (as defined in the Merger Agreement) subject to each option, an amount in cash equal to the Merger Consideration Value (as defined in the Merger Agreement);

- (4) Cont'd from Footnote 1: (iii) each restricted stock award held by the Reporting Person was converted into the right to receive an amount in time-vesting restricted Tivity Health Common Stock equal to the product of (a) the number of shares of Issuer Common Stock subject to such restricted stock awards multiplied by (b) the Equity Award Exchange Ratio (as defined in the Merger Agreement), rounded to the nearest whole number of shares of Tivity Health Common Stock; and (iv) each performance-based restricted stock unit ("PRSUs") held by the Reporting Person was converted into the right to receive an amount in time-vesting restricted Tivity Health Common Stock equal to the product of (a) the number of shares of Issuer Common Stock subject to such PRSUs (based on the actual or maximum performance level achievable by the Issuer as provided in the Merger Agreement) multiplied by (b) the Equity Award Exchange Ratio, rounded to the nearest whole number of shares of Tivity Health Common Stock.

- (5) At grant, this stock option represented the right to purchase shares of Issuer Common Stock subject to the terms of the Plan and the applicable award agreement issued thereunder.
- (6) As of the Effective Time, pursuant to the terms of the Merger Agreement, this stock option was cancelled and converted into the right to receive, in respect of each Net Option Share subject to this stock option, an amount in cash equal to the Merger Consideration Value.
- (7) These PRSUs represented the contingent right to receive shares of Issuer Common Stock subject to the Issuer's achievement of performance conditions, subject to the terms of the Plan and the applicable award agreement issued thereunder.

- (8) As of the Effective Time, pursuant to the terms of the Merger Agreement, such PRSUs were converted into the right to receive an amount of time-vesting restricted Tivity Health Common Stock as described in Footnotes 3 and 4, assuming maximum performance was achieved.

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.