

ATHENAHEALTH INC
Form 4
March 03, 2017

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 *
Haley Daniel P

(Last) (First) (Middle)

C/O ATHENAHEALTH, INC., 311
ARSENAL STREET

(Street)

WATERTOWN, MA 02472

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ATHENAHEALTH INC [ATHN]

3. Date of Earliest Transaction
(Month/Day/Year)
03/01/2017

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)

SVP, GC and Secretary

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Price | | | |
| Common Stock | 09/30/2016 | | J | V 13 | \$ 107.2 | 13,173 ⁽²⁾ | D |
| Common Stock | 03/01/2017 | | F | 105 | \$ 117.22 | 13,068 | D |
| Common Stock | 03/01/2017 | | F | 120 | \$ 117.22 | 12,948 | D |
| Common Stock | 03/01/2017 | | F | 305 | \$ 117.22 | 12,643 | D |
| Common Stock | 03/01/2017 | | F | 85 | \$ 117.22 | 12,558 | D |

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| | | | | | | | |
|--------------|------------|------------------|-------|---|--------------------------|-----------------------|---|
| Common Stock | 03/01/2017 | M | 1,549 | A | \$ 0 ⁽³⁾ | 14,107 | D |
| Common Stock | 03/01/2017 | F | 503 | D | \$ 117.22 | 13,604 | D |
| Common Stock | 03/01/2017 | A | 2,559 | A | \$ 0 ⁽⁴⁾ | 16,163 | D |
| Common Stock | 03/01/2017 | S ⁽⁵⁾ | 844 | D | \$ 117.4 ⁽⁶⁾ | 15,319 | D |
| Common Stock | 03/01/2017 | S ⁽⁵⁾ | 896 | D | \$ 118.04 ⁽⁷⁾ | 14,423 ⁽⁸⁾ | D |

Reminder: Report on a separate line for each class of securities beneficially 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.

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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 Amount of Underlying Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V | (A) | (D) |
| Performance Stock Unit | ⁽⁹⁾ | 03/01/2017 | | M | 1,549 | ⁽¹⁰⁾ | 03/01/2019 | Common Stock | 1,549 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Haley Daniel P C/O ATHENAHEALTH, INC. 311 ARSENAL STREET WATERTOWN, MA 02472 | | | SVP, GC and Secretary | |

Signatures

/s/ Lan Marinelli
Attorney-in-Fact

03/03/2017

__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) Shares purchased pursuant to the Issuer's 2007 Employee Stock Purchase Plan on September 30, 2016, which transaction is considered exempt pursuant to Rule 16b-3(c) promulgated under the Securities Exchange Act of 1934.
- Includes 13,090 Restricted Stock Units (each, an "RSU") that are subject to time-based vesting and will be settled only in stock. Of the 13,090 unvested RSUs, 9,375 were previously reported by the Reporting Person as derivative securities, and 3,715 were subject to awards granted to the Reporting Person prior to his designation as a Section 16 officer. Effective March 1, 2017, the Reporting Person has determined to report RSU awards that are subject to time-based vesting and only settled in stock as non-derivative securities in his ownership reports.
- (2) Each Performance Stock Unit ("PSU") converts into common stock on a one-for-one basis.
- (3) The securities acquired are units of common stock that were granted pursuant to a RSU award under the athenahealth, Inc. 2007 Stock Option and Incentive Plan, as amended and restated. The RSUs are subject to time-based vesting and will be settled only in stock.
- (4) The sales reported on this Form 4 were made pursuant to a written trading plan adopted by the Reporting Person and effective as of November 1, 2016, in accordance with Rule 10b5-1.
- (5) Represents a weighted average price. These shares were sold in multiple transactions at prices ranging from \$117.21 to \$117.52, inclusive. The Reporting Person undertakes to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in this Footnote (6).
- (6) Represents a weighted average price. These shares were sold in multiple transactions at prices ranging from \$117.57 to \$118.53, inclusive. The Reporting Person undertakes to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in this Footnote (7).
- (7) 13,760 of these securities are units of common stock granted pursuant to RSU awards. The units are subject to time-based vesting.
- (8) Each PSU represents a contingent right to receive one share of the Issuer's common stock.
- (9) On March 1, 2016, the Reporting Person was granted a performance stock unit ("PSU") award of 5,817 PSUs. The PSUs vest in three equal annual installments beginning on March 1, 2017 based on the Issuer's satisfaction of certain performance criteria for the fiscal year ending December 31, 2016. On February 7, 2017, the Compensation Committee of the Board of Directors of the Issuer certified that the performance criteria for 2016 was met, resulting in vesting of PSUs as to 1,549 shares on March 1, 2017.
- (10)

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.