

Holland Mason R Jr
Form 4
April 03, 2019

FORM 4

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

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

**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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Holland Mason R Jr

(Last) (First) (Middle)

100 BENEFITFOCUS WAY

(Street)

CHARLESTON, SC 29492

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
Benefitfocus, Inc. [BNFT]

3. Date of Earliest Transaction
(Month/Day/Year)
04/01/2019

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)

Executive Chairman of the Bd.

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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	04/01/2019		M	(A) or (D) 5,641 (1)	A \$ 0 43,929	D	
Common Stock	04/01/2019		M	(A) or (D) 9,878 (2)	A \$ 0 53,807	D	
Common Stock	04/01/2019		A	(A) or (D) 3,501 (3)	A \$ 0 57,308	D	
Common Stock	04/01/2019		A	(A) or (D) 2,318 (4)	A \$ 0 59,626	D	
Common Stock					2,649,099	I	By Holland Family Trust (5)

Common Stock	5	I	As custodian for minor son
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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 Amount Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Performance Restricted Stock Units	(1)	04/01/2019		M		5,641		(1)	04/01/2019	Common Stock	5,641
Performance Restricted Stock Units	(6)	04/01/2019		D		577		(6)	04/01/2019	Common Stock	577
Performance Restricted Stock Units	(2)	04/01/2019		M		9,878		(2)	04/01/2022	Common Stock	9,878
Performance Restricted Stock Units	(6)	04/01/2019		D		2,620		(6)	04/01/2022	Common Stock	2,620
Performance Restricted Stock Units	(7)	04/01/2019		A		3,478		(7)	04/01/2020	Common Stock	3,478
Performance Restricted Stock Units	(8)	04/01/2019		A		6,956		(8)	04/01/2023	Common Stock	6,956

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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	Director	10% Owner	Officer	Other
Holland Mason R Jr 100 BENEFITFOCUS WAY CHARLESTON, SC 29492	X		Executive Chairman of the Bd.	

Signatures

/s/ S. Halle Vakani,
Attorney-in-Fact

04/03/2019

__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) Shares earned upon the vesting of a percentage of the performance restricted stock units ("PRSUs") granted to the Reporting Person on March 29, 2018. Each PRSU represented a contingent right to receive one share of Issuer common stock upon the Issuer's achievement of an annual revenue goal, an adjusted EBITDA goal, and a net new bookings goal, during the period of January 1, 2018 through December 31, 2018.
- (2) Shares earned upon the vesting of a percentage of the PRSUs granted to the Reporting Person on March 29, 2018. Each PRSU represented a contingent right to receive one share of Issuer common stock upon the Issuer's achievement of annual recurring revenue bookings percentage growth goals during the period of January 1, 2018 through December 31, 2018. One-fourth of the shares are vested, with the remaining shares to vest in three equal annual installments beginning on April 1, 2020.
- (3) Represents common stock of the Issuer resulting from the vesting of restricted stock units granted in connection with the achievement of performance metrics in 2018.
- (4) Represents restricted stock units which vest in four equal annual installments beginning on April 1, 2020, subject to continued employment.
- (5) These shares are held in a living trust for the benefit of the Reporting Person and his spouse. The Reporting Person shares voting and investment control over these shares.
- (6) Represents the portion of PRSUs that were forfeited to the Issuer after determining the percentage of PRSUs that vested.
- (7) Each PRSU represents a contingent right to receive one share of Issuer common stock. The maximum number of PRSUs is presented in the table. A percentage of the PRSUs will vest upon the achievement of an annual revenue goal and an adjusted EBITDA goal, during the period of January 1, 2019 through December 31, 2019. Vesting of the target level PRSUs will accelerate upon death or disability during the performance period in an amount equal to the proportion of days in the performance period worked. Vesting of the target PRSUs may also accelerate in certain circumstances if there is a change in control of the Issuer during the performance period.
- (8) Each PRSU represents a contingent right to receive one share of Issuer common stock. The maximum number of PRSUs is presented in the table. The PRSUs will vest upon the achievement of net annual recurring revenue bookings growth goals during the period of January 1, 2019 through December 31, 2019, such vesting to occur in four equal annual installments beginning on April 1, 2020, if the performance metrics are met. Vesting of the target level PRSUs will accelerate upon death or disability during the performance period in an amount equal to the proportion of days in the performance period worked. Vesting will also accelerate as to the next tranche of vesting units in the event of death or disability after the performance period. Vesting of the target PRSUs may also accelerate in certain circumstances if there is a change in control of the Issuer during the performance period.

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.