

ATHENAHEALTH INC  
Form 4  
March 03, 2016

**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 \*  
KAHANE STEPHEN N

(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)  
03/01/2016

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)

EVP Client Organization

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)
			Code	V	Amount (A) or (D) Price		
Common Stock	03/01/2016		M		1,633 A \$ 19,462	D	
Common Stock	03/01/2016		F		769 (2) D \$ 132.37	D	
Common Stock	03/01/2016		M		1,168 A \$ 19,861	D	
Common Stock	03/01/2016		F		550 (2) D \$ 132.37	D	
Common Stock	03/01/2016		F		1,015 (3) D \$ 132.37	D	

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Common Stock	03/01/2016	F	665 <sup>(4)</sup>	D	\$ 132.37	17,631	D
Common Stock	03/01/2016	F	883 <sup>(5)</sup>	D	\$ 132.37	16,748	D
Common Stock	03/01/2016	M	5,000	A	<u>6</u>	21,748	D
Common Stock	03/01/2016	F	2,355	D	\$ 132.37	19,393	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 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	<u>(1)</u>	03/01/2016		M	1,633	<u>(7)</u>	03/01/2018	Common Stock	1,633
Performance Stock Unit	<u>(1)</u>	03/01/2016		M	1,168	<u>(8)</u>	03/01/2019	Common Stock	1,168
Restricted Stock Unit	<u>(9)</u>	03/01/2016		M	5,000	<u>(10)</u>	03/01/2019	Common Stock	5,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KAHANE STEPHEN N C/O ATHENAHEALTH, INC. 311 ARSENAL STREET WATERTOWN, MA 02472			EVP Client Organization	

## Signatures

/s/ Lan Marinelli  
Attorney-in-Fact

03/03/2016

\_\_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) Each performance stock unit represents a contingent right to receive one share of the Issuer's common stock.
- (2) Shares withheld to satisfy tax withholding obligations incurred upon the vesting of performance stock units or restricted stock units. These transactions are considered an exempt sale pursuant to Rule 16b-3(e) promulgated under the Securities Exchange Act of 1934.  
These shares were withheld to satisfy tax withholding obligations incurred upon the vesting of restricted stock units awarded to the Reporting Person on March 1, 2012. This transaction is considered an exempt sale pursuant to Rule 16b-3(e) promulgated under the Securities Exchange Act of 1934.
- (3) Reporting Person on March 1, 2012. This transaction is considered an exempt sale pursuant to Rule 16b-3(e) promulgated under the Securities Exchange Act of 1934.  
These shares were withheld to satisfy tax withholding obligations incurred upon the vesting of restricted stock units awarded to the Reporting Person on March 1, 2013. This transaction is considered an exempt sale pursuant to Rule 16b-3(e) promulgated under the Securities Exchange Act of 1934.
- (4) Reporting Person on March 1, 2013. This transaction is considered an exempt sale pursuant to Rule 16b-3(e) promulgated under the Securities Exchange Act of 1934.  
These shares were withheld to satisfy tax withholding obligations incurred upon the vesting of restricted stock units awarded to the Reporting Person on March 3, 2014. This transaction is considered an exempt sale pursuant to Rule 16b-3(e) promulgated under the Securities Exchange Act of 1934.
- (5) Reporting Person on March 3, 2014. This transaction is considered an exempt sale pursuant to Rule 16b-3(e) promulgated under the Securities Exchange Act of 1934.
- (6) Restricted Stock Unit convert into common stock on a one-for-one basis.  
On March 3, 2014, the Reporting Person was awarded 6,534 performance stock units (PSUs). The PSUs vest in four equal annual installments beginning on March 1, 2015 based on the Issuer's satisfaction of certain performance criteria for the fiscal year ending December 31, 2014. On February 10, 2015, the Compensation Committee of the Board of Directors of the Issuer certified that the performance criteria for 2014 was met, resulting in vesting of the PSUs as to 1,633 shares on March 1, 2016.
- (7) On March 2, 2015, the Reporting Person was awarded 4,670 PSUs. The PSUs vest in four equal annual installments beginning on March 1, 2016 based on the Issuer's satisfaction of certain performance criteria for the fiscal year ending December 31, 2015. On February 9, 2016, the Compensation Committee of the Board of Directors of the Issuer certified that the performance criteria for 2015 was met, resulting in vesting of the PSUs as to 1,168 shares on March 1, 2016.
- (8) On March 2, 2015, the Reporting Person was awarded 4,670 PSUs. The PSUs vest in four equal annual installments beginning on March 1, 2016 based on the Issuer's satisfaction of certain performance criteria for the fiscal year ending December 31, 2015. On February 9, 2016, the Compensation Committee of the Board of Directors of the Issuer certified that the performance criteria for 2015 was met, resulting in vesting of the PSUs as to 1,168 shares on March 1, 2016.
- (9) Each restricted stock unit represents a contingent right to receive one share of the Issuer's common stock.
- (10) On March 2, 2015, the Reporting Person was granted 20,000 restricted stock units. The restricted stock units vest in four equal annual installments beginning on March 1, 2016.

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.