LIFE TIME FITNESS INC

Form 4 May 15, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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Form 5 obligations may continue. See Instruction

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

2. Issuer Name and Ticker or Trading

LIFE TIME FITNESS INC [LTM]

(Print or Type Responses)

1(b).

(Last)

Security

(Instr. 3)

1. Name and Address of Reporting Person *

ZWIEFEL JEFFREY G

(First)

(Middle)

2902 CORPORATE PLACE

(Street)

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

05/13/2008

Symbol

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

below)

(Check all applicable)

Director 10% Owner

X_ Officer (give title Other (specify below)

Sr. VP, Life Time University

Applicable Line)

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

6. Individual or Joint/Group Filing(Check

Person

CHANHASSEN, MN 55317

(City) (State) (Zip) 1. Title of

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if (Month/Day/Year)

3. 4. Securities Code (Instr. 8)

TransactionAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5)

(A)

5. Amount of

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Securities Beneficially Owned Following Reported Transaction(s)

6. Ownership Form: Direct (D) or Indirect Beneficial (T) (Instr. 4)

7. Nature of Indirect Ownership (Instr. 4)

(Instr. 3 and 4) Code V Amount (D) Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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

1. Title of 3. Transaction Date 3A. Deemed 4. 5. Number of 6. Date Exercisable and 7. Title and Amount of Derivative Conversion (Month/Day/Year) Execution Date, if Transaction Derivative **Expiration Date Underlying Securities** Security or Exercise any Code Securities (Month/Day/Year) (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)					
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Prepaid Forward Contract (obligation to sell)	<u>(1)</u> <u>(2)</u>	05/13/2008		J/K(3)			28,000	(1)(2)	(1)(2)	Common Stock	28,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

ZWIEFEL JEFFREY G 2902 CORPORATE PLACE CHANHASSEN, MN 55317

Sr. VP, Life Time University

Signatures

/s/ Amy C. Seidel on behalf of Jeffrey G. Zwiefel

05/15/2008

**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).

Previously, on November 10, 2005, the reporting person entered into a prepaid forward contract with an unrelated third party (the Buyer) involving up to 28,000 shares of Common Stock of the Company. Under the contract, the reporting person received a prepayment of \$1,096,480 representing 100% of the price of \$39.16 per share and undertook an obligation to deliver up to 28,000 shares of Common

- (1) Stock, or the cash equivalent, to Buyer on November 10, 2012 (the Settlement Date). The reporting person pledged 228,000 shares of Common Stock to secure his obligations under the contract. The number of shares of Common Stock which the reporting person would have been required to deliver on the Settlement Date was as follows (the capitalized terms are defined as set forth below): (See next footnote.)
 - (Continued from previous footnote.)(i) if the Settlement Price was less than the Floor Price, the reporting person would have delivered all 28,000 shares of Common Stock to the Buyer, (ii) if the Settlement Price was greater than the Floor Price, but less than the Cap Price, the reporting person would have delivered a number of shares of Common Stock equal to (a) 28,000 multiplied by (b) a fraction equal to (x)
- (2) the Floor Price divided by (y) the Settlement Price, and (iii) if the Settlement Price was greater than the Cap Price, the reporting person would have delivered a number of shares of Common Stock equal to (a) 28,000 multiplied by (b) a fraction equal to (x) the Floor Price plus (the Settlement Price minus the Cap Price), divided by (y) the Settlement Price. Settlement Price = the closing price of the Common Stock on the Settlement Date Floor Price = \$39.16 Cap Price = \$58.74
- On May 13, 2008, the reporting person elected to cancel the prepaid forward contract with respect to all 28,000 shares. In connection with the cancellation, the reporting person paid an aggregate of \$1,074,826 to the Buyer. Following the payment and cancellation described above, the 28,000 shares held by the reporting person that were previously subject to the prepaid forward contract are no longer pledged to the Buyer. Accordingly, this cancellation transaction is deemed a purchase of the underlying shares for purposes of Section 16(b).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 2

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