

ATHENAHEALTH INC
Form 4
September 08, 2015

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Stubelis Karl

(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)
09/03/2015

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)
VP and Corporate Controller

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 Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	09/03/2015		M	1,375 A	1,375	D	
Common Stock	09/03/2015		F	446 D	\$ 929 132.35	D	

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

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SEC 1474 (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)	8. Amount or Number of Shares
Restricted Stock Unit	(2)	09/03/2015		M	1,375	(3) 09/03/2017	Common Stock	1,375

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Stubelis Karl C/O ATHENAHEALTH, INC. 311 ARSENAL STREET WATERTOWN, MA 02472			VP and Corporate Controller	

Signatures

/s/ Paul R. Rosie
Attorney-in-Fact

09/08/2015

__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) Restricted Stock Unit convert into common stock on a one-for-one basis.

(2) Each restricted stock unit represents a contingent right to receive one share of the Issuer's common stock.

(3) On November 1, 2013, the Reporting Person was granted 5,500 restricted stock units. The restricted stock units vest in four equal annual installments beginning on September 3, 2014.

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

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Elimination of long-term investment balance on consolidation

(242,792)

Purchase of treasury stock
(2,798,399)

Unrecognized pension cost

(12,711) (1,621) (49)
Unrecognized pension cost on adoption of U.S. SFAS No.158

(613,362) (18,820)
Balance, end of year

-
-
-
-
-
11,427
-
-
48,657,096
44,959,335
60,584,053
1,858,977

A reconciliation of significant balance sheet accounts to the approximate amounts as determined under U.S. GAAP is as follows:

	2005	December 31	
	NT\$	2006	US\$
		NT\$	
<u>Financial assets at fair value through profit or loss</u>			
As reported	4,330,733	1,557,903	47,803
U.S. GAAP adjustments			
Adjustment to fair value	16,331	-	-
As adjusted	4,347,064	1,557,903	47,803

Explanation of Responses:

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		December 31	
	2005	2006	
	NT\$	NT\$	US\$
<u>Long-term investments</u>			
As reported	4,898,057	5,734,546	175,960
U.S. GAAP adjustments			
Equity investments	649,723	611,004	18,748
Impairment loss	(2,078,620)	(2,078,620)	(63,780)
As adjusted	3,469,160	4,266,930	130,928
<u>Property, plant and equipment</u>			
As reported	68,040,771	73,543,754	2,256,636
U.S. GAAP adjustments			
Depreciation of buildings	(478,794)	(582,287)	(17,867)
Impairment recovery, net	-	(2,104,952)	(64,589)
Depreciation on the excess of book value of building transferred between subsidiaries	(14,031)	(13,599)	(418)
As adjusted	67,547,946	70,842,916	2,173,762
<u>Goodwill</u>			
As reported	2,843,022	2,831,274	86,876
U.S. GAAP adjustments			
Adjustment of carrying value of subsidiaries' long-term investments	(917,280)	(917,280)	(28,146)
Goodwill amortization	3,041,351	3,041,351	93,321
Impairment loss of goodwill	(1,600,618)	(1,600,618)	(49,114)
As adjusted	3,366,475	3,354,727	102,937
<u>Deferred income tax assets – noncurrent</u>			
As reported	4,046,772	2,512,421	77,092
U.S. GAAP adjustments			
Undistributed earning tax	-	(300,438)	(9,219)
Effect of U.S. GAAP adjustments on income tax	231,134	635,625	19,504
As adjusted	4,277,906	2,847,608	87,377
<u>Current liabilities</u>			
As reported	31,105,619	28,010,242	859,473
U.S. GAAP adjustments			
Bonuses to employees, directors and supervisors	-	1,656,438	50,827
As adjusted	31,105,619	29,666,680	910,300

Other liabilities

As reported	2,307,515	2,505,575	76,882
U.S. GAAP adjustments			
Pension benefits	45,793	(58,218)	(1,786)
Unrecognized pension cost on adoption of U.S. SFAS No. 158	-	613,362	18,820
Derivative financial instruments	461,301	-	-
As adjusted	2,814,609	3,060,719	93,916

As a result of the adjustments presented above, total assets under U.S. GAAP were NT\$129,974,677 thousand and NT\$133,731,062 thousand (US\$4,103,438 thousand) as of December 31, 2005 and 2006, respectively. Total liabilities under U.S. GAAP were NT\$76,782,338 thousand and NT\$62,125,699 thousand (US\$1,906,281 thousand) as of December 31, 2005 and 2006, respectively. Minority interest under U.S. GAAP were NT\$8,233,004 thousand and NT\$11,021,310 thousand (US\$338,180 thousand) as of December 31, 2005 and 2006, respectively.

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32. ADDITIONAL DISCLOSURES REQUIRED BY U.S. GAAP

a. Recently issued accounting standards

In February 2006, the FASB issued U.S. SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments—an amendment of FASB Statements No. 133 and 140." This Statement resolves issues addressed in Statement No. 133 Implementation Issue No. D1, "Application of Statement No. 133 to Beneficial Interests in Securitized Financial Assets." U.S. SFAS No. 155 permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation, clarifies which interest-only strips and principal-only strips are not subject to the requirements of Statement No. 133, establishes a requirement to evaluate interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation, clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives and amends Statement No. 140 to eliminate the prohibition on a qualifying special-purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. U.S. SFAS No. 155 is effective for all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006. The fair value election provided for in this U.S. SFAS No. 155 may also be applied upon adoption of U.S. SFAS No. 155 for hybrid financial instruments that had been bifurcated under paragraph 12 of Statement No. 133 prior to the adoption of U.S. SFAS No. 155. Earlier adoption is permitted as of the beginning of an entity's fiscal year, providing the entity has not yet issued financial statements for any interim period for that fiscal year. The Company does not expect the adoption of U.S. SFAS No. 155 to impact the Company's consolidated financial position or results of operations.

In March 2006, the FASB issued U.S. SFAS No. 156, "Accounting for Servicing of Financial Assets" (U.S. SFAS No. 156), which (i) provides revised guidance on when a servicing asset and servicing liability should be recognized, (ii) requires all separately recognized servicing assets and liabilities to be initially measured at fair value, if practicable, and (iii) permits an entity to elect to measure servicing assets and liabilities at fair value each reporting date and report changes in fair value in earnings in the period in which the changes occur. The Company believes that there is no impact on the results of operations and financial position of the Company after adopting U.S. SFAS No. 156.

In September 2006, the FASB issued U.S. SFAS No. 157, "Fair Value Measurements", which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. U.S. SFAS No. 157 does not require any new fair value measurements, but brings up guidance on how to measure fair value by providing a fair value hierarchy used to classify the source of the information. This statement is effective for the Company beginning January 1, 2008. The Company is currently assessing the potential impact that the adoption of U.S. SFAS No. 157 will have on the results of operations and financial position of the Company, and is not yet in a position to determine such effects.

In September 2006, the FASB issued U.S. SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans—An Amendment of FASB Statements No. 87, 88, 106, and 132R" (U.S. SFAS No. 158). Provisions with respect to the recognition of an asset and liability related to the funded status and the changes in the funded status be reflected in comprehensive income are effective for fiscal years ended after December 15, 2006 and the change in measurement date provisions is effective for fiscal years ended after December 15, 2008. U.S. SFAS No. 158 also requires the measurement date of the plan's funded status be the same as the Company's fiscal year-end. The Company adopted all requirements of U.S. SFAS No. 158 its fiscal year ended December 31, 2006. Upon the adoption of U.S. SFAS No. 158, the Company recognized a decrease to accumulated other comprehensive income of NT\$460,022 thousand (net of tax effect) as of December 31, 2006.

In July 2006, the FASB issued FASB Interpretation No.48, “Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109” (“FIN 48”). FIN 48 clarifies the accounting for uncertainty in income taxes by prescribing the recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FIN48 is effective for fiscal years beginning after December15, 2006 and is required to be adopted by the Company in fiscal year 2007. The cumulative effects, if any, of applying FIN 48 will be recorded as an adjustment to retained earnings as of the beginning of the period of adoption. The Company is currently evaluating the effect that the adoption of FIN 48 will have on the results of operations and financial position of the Company and is not yet in a position to determine such effects.

In September 2006, the Securities and Exchange Commission issued Staff Accounting Bulletin (“SAB”) No.108, “Considering the Effects of Prior Year Misstatements when Quantifying Current Year Misstatements”. SAB No. 108 requires analysis of misstatements using both an income statement (rollover) approach and a balance sheet (iron curtain) approach in assessing materiality and provides for a one-time cumulative effect transition adjustment. SAB No. 108 is effective for the Company’s fiscal year 2006 annual financial statements. The Company believes that there is no impact on the results of operations and financial position of the Company after adopting SAB No. 108.

b. Pension

Set forth below is pension information disclosed in accordance with U.S. SFAS 132:

	Year Ended December 31			
	2004 NT\$	2005 NT\$	2006 NT\$	US\$
Components of net periodic benefit cost				
Service cost	455,913	488,303	267,351	8,204
Interest cost	88,087	98,268	89,761	2,754
Expected return on plan assets	(25,961)	(33,862)	(34,777)	(1,067)
Amortization of prior service cost	13,670	16,187	7,697	236
Curtailement loss on pension	-	18,036	-	-
Net periodic benefit cost	531,709	586,932	330,032	10,127
Changes in benefit obligation				
Benefit obligation at beginning of year	1,985,971	3,797,207	4,006,601	122,940
Benefit obligation from acquisition from ASE Japan	1,133,061	-	-	-
Service cost	455,913	488,303	376,027	11,538
Interest cost	88,087	98,268	88,341	2,711
Initial adoption of U.S. SFAS No. 158	-	-	31,691	972
Curtailement of settlement gain	-	-	(29,327)	(900)
Actuarial loss (gain)	142,752	(212,871)	250,851	7,697
Benefits paid	(52,649)	(20,065)	(285,063)	(8,747)
Exchange loss (gain)	44,072	(144,241)	35,841	1,100
Benefit obligation at end of year	3,797,207			