

SPARK NETWORKS INC
Form 4
April 04, 2017

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
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 *
402 CAPITAL LLC

(Last) (First) (Middle)

5015 UNDERWOOD AVENUE

(Street)

OMAHA, NE 68132

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
SPARK NETWORKS INC [LOV]

3. Date of Earliest Transaction
(Month/Day/Year)
03/31/2017

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)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 03/31/2017 | | M | 12,587 A 11 | 72,733 | I | By Ian V. Jacobs directly |
| Common Stock | | | | | 1,079,797 | I | By SCA Partners, LP (2) (3) (4) |
| Common Stock | | | | | 1,215,950 | I | By 402 Fund, LP (2) (3) (4) |

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 | (1) | 03/31/2017 | | M | 12,587 | (5) (6) | Common Stock | 12,587 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| 402 CAPITAL LLC 5015 UNDERWOOD AVENUE OMAHA, NE 68132 | X | | | |
| JACOBS IAN 5015 UNDERWOOD AVENUE OMAHA, NE 68132 | X | | | |

Signatures

/s/ Ian V. Jacobs, Managing Member of 402 Capital, LLC 04/04/2017

__Signature of Reporting Person Date

/s/ Ian V. Jacobs 04/04/2017

__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) Each restricted stock unit represents a contingent right to receive one share of Spark Networks, Inc.'s ("Issuer") common stock, par value \$0.001 per share (the "Common Stock").

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- (2) The filing of this Form 4 shall not be construed as an admission that Mr. Jacobs, the managing member of 402 Capital, LLC ("402 Capital") is or was for the purposes of Section 16(a) of the Securities Exchange Act of 1934, as amended, the beneficial owner of any of the shares of the Issuer's common stock, par value \$0.001 per share (the "Common Stock"), owned by 402 Fund, LP (the "Fund") or SCA.

- (3) As previously reported on the reporting persons' Form 3 and Form 4s with respect to the Issuer, (i) the Fund holds 1,215,950 shares of Common Stock, and 402 Capital and Mr. Jacobs report the shares held by the Fund because as the investment manager of the Fund, and the managing member of 402 Capital, respectively, they control the disposition and voting of the securities, and (ii) SCA holds 1,079,797 shares of Common Stock, and 402 Capital controls the voting and disposition of the Common Stock held by SCA, of which 402 Capital is the investment manager. An affiliate of 402 Capital, for which Mr. Jacobs is the managing member, serves as the general partner of SCA and receives an allocation of net profits from SCA. Mr. Jacobs reports the shares held indirectly by 402 Capital because, as the managing member of 402 Capital at the time of purchase, Mr. Jacobs controlled the disposition and voting of the securities.

- (4) Pursuant to Rule 16a-1, each of Mr. Jacobs and 402 Capital disclaims beneficial ownership except to the extent of their respective pecuniary interests.

- (5) These shares represent a grant of restricted stock units under the Company's 2007 Omnibus Incentive Plan on March 21, 2017. This grant was made in lieu of cash fees for non-employee director service on the Company's board of directors for 2017. Twenty-five percent (25%) of the restricted stock units subject to the award vest at the end of each fiscal quarter during 2017, subject to the reporting person's continuous service as a director.

- (6) Not applicable.

Remarks:

For purposes of Section 16 of the Securities Exchange Act of 1934, as amended, the Reporting Person may be deemed to be a

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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