

Edgar Filing: HUMANA INC - Form 4

HUMANA INC

Form 4

November 07, 2002

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person  
 Jones, David A.  
 500 W. Main St.  
 Louisville, KY 40202
2. Issuer Name and Ticker or Trading Symbol  
 Humana Inc.  
 HUM
3. IRS or Social Security Number of Reporting Person (Voluntary)
4. Statement for Month/Year  
 November 5, 2002
5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting Person(s) to Issuer (Check all applicable)  
 (X) Director ( ) 10% Owner ( ) Officer (give title below) ( ) Other  
 (specify below)  
 Chairman of the Board
7. Individual or Joint/Group Filing (Check Applicable Line)  
 (X) 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	2. Transaction Date	3. Code	4. Securities Acquired (A) or Disposed of (D)		5. Amount of Securities Beneficially Owned at End of Month
			Amount	Price	
Common (1)					610,140
Common (1)					152,808
Common (1)					30,000
Common (1)					4,151,445
Common (1)					1,385
Common (1)					719,028
Common (1)	11/5/02	G	V	5,000	1,454,532
Common (1)					1,000,000

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

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1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date	4. Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities	8. Percentage of Total Outstanding Shares of Underlying Securities
Option(4)	21.25				1/2/99   1/2/08	Common (1)   5,000	
Option(4)	18.7813				1/4/00   1/4/09	Common (1)   5,000	
Option(4)	7.875				1/3/01   1/3/10	Common (1)   5,000	
Option(4)	14.7813				1/2/02   1/2/11	Common (1)   3,887	
Option(5)	14.7813				1/2/02   1/2/11	Common (1)   1,113	
Forward Sale Contract (7)	(7)				3/22/04   3/22/04	Common (1)   451,700	
Option(5)	11.235				10/10/02   10/10/11	Common (1)   83,334	
Option(5)	11.235				10/10/03   10/10/11	Common (1)   83,333	
Option(5)	11.235				10/10/04   10/10/11	Common (1)   83,333	
Option(5)	11.55				1/2/03   1/2/12	Common (1)   5,000	

Explanation of Responses:

- (1) Each share of Common Stock contains a Right adopted on March 5, 1987, pursuant to the Company Rights Agreement, as amended and restated on February 14, 1996, and amended as of May 27, 1998 and March 1, 1999, which entitles holders of the Company's Common Stock, in the event certain specified events occur, to acquire 1/100 of a share of Series A Participating Preferred Stock at a price of \$145 per fractional share.
- (2) Shares held by Family Limited Partnership ("FLP") of which my wife and I are General Partners and Trusts established by each of us are Limited Partners, together with a Family Charitable Foundation. I disclaim beneficial ownership of Company stock held by the FLP except to the extent of my pecuniary interest.
- (3) Shares held by 96 A/J Family Limited Partnership ("FLP-96") of which my wife and I are General Partners, and

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together with a Family Charitable Foundation are Limited Partners. I disclaim beneficial ownership of Company stock held by the FLP-96 except to the extent of my pecuniary interest.

(4) Right to buy pursuant to Company's 1989 Stock Option Plan for Non-Employee Directors.

(5) Right to buy pursuant to Company's 1996 Incentive Stock Option Plan.

(6) Shares held by Jones Investments, Ltd. ("JIL"), a partnership of which DBJ, LLC is the General Partner. My wife and I are the members of DBJ, LLC. I disclaim beneficial ownership of Company stock held by JIL except to the extent of my pecuniary interest.

(7) On March 22, 2001, Mr. Jones entered into a forward sale agreement (the "Forward Agreement") relating to up to 451,700 shares (the "Base Amount") of Common Stock. In connection with the Forward Agreement, between March 14, 2001 and March 22, 2001, the counterparty sold 451,700 shares of Common Stock into the public market in accordance with paragraphs (f) and (g) of Rule 144 under the Securities Act of 1933, as amended, at an average price of \$11.32 per share. The Forward Agreement provides that three business days after March 22, 2004 Mr. Jones will deliver a number of shares of Common Stock (or, at the election of Mr. Jones, the cash equivalent of such shares) based on the following: (a) if the closing price of the Common Stock on March 22, 2004 (the "Final Price") is less than \$11.32 per share, Mr. Jones will deliver 451,700 shares; (b) if the Final Price is equal to or greater than \$11.32 per share (the "Floor Price") but less than or equal to \$13.92 per share (the "Cap Price"), Mr. Jones will deliver a number of shares equal to  $\text{Floor Price} / \text{Final price} \times 451,700$ ; and (c) if the Final price is greater than the Cap Price, Mr. Jones will deliver a number of shares equal to  $\text{Final Price} + (\text{Final Price} - \text{Cap Price}) / \text{Final Price} \times 451,700$ . In consideration therefor, Mr. Jones has received a price of \$4,381,490.00.

(8) Shares held by David A. Jones Revocable Trust (DAJ-RT) of which I am Settlor and Trustee. I disclaim beneficial ownership of Company stock held by the DAJ-RT except to the extent of my pecuniary interest.

(9) Shares held by Betty A. Jones Revocable Trust (BJ-RT) of which she is Settlor and Trustee. I disclaim beneficial ownership of Company stock held by the BJ-RT except to the extent of my pecuniary interest.

(10) On March 4, 2002, Mr. Jones entered into Section 10b5-1 Trading Plans. Mr. Jones, through one of the brokers will sell up to Eighty Thousand (80,000) shares per month. The brokers will alternate months with Merrill Lynch, Pierce, Fenner & Smith beginning in March 2002, and UBS PaineWebber Inc. beginning in April 2002. The Trading Plans cover up to an aggregate of Nine Hundred Sixty Thousand (960,000) shares of Humana Inc. common stock. The 10b5-1 Trading Plans are scheduled to terminate no later than February 28, 2003 subject to earlier termination per the provisions as set out in the Trading Plans.

(11) Shares held by DBJ Investments, Ltd. ("DBJI"), a limited partnership of which I am a limited partner and DBJ, LLC is the General Partner. My wife and I are the members of DBJ, LLC. I

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disclaim beneficial ownership of  
Company stock held by DBJI except to the extent of my pecuniary  
interest.