

HUMANA INC
Form 4
January 07, 2005

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 *
SHIELDS R EUGENE

(Last) (First) (Middle)

HUMANA INC., 500 WEST MAIN STREET

(Street)

LOUISVILLE, KY 40202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
HUMANA INC [HUM]

3. Date of Earliest Transaction (Month/Day/Year)
01/06/2005

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)
Senior Vice President-Gov Prgm

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 or Price | | |
| Humana Common (1) | 01/06/2005 | | M | | 70,775 A \$ 15.5938 | 139,990 | D |
| Humana Common (1) | 01/06/2005 | | M | | 20,000 A \$ 19.25 | 159,990 | D |
| Humana Common (1) | 01/06/2005 | | S | | 159,990 D \$ 29.8668 | 0 | D |
| Humana Common | | | | | | 1,277 | I See Footnote |

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| | |
|------------------|-----------------|
| <u>(1)</u> | <u>(2)</u> |
| Humana Common | See Footnote |
| 8,933 | I |
| <u>(1)</u> | <u>(3)</u> |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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) | 8. Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------------------------|--------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| <u>(4)</u> Options | \$ 15.5938 | 01/06/2005 | | M | 17,400 | <u>(5)</u> | 01/15/2008 | Humana Common <u>(1)</u> | 17,400 |
| <u>(4)</u> Options | \$ 15.5938 | 01/06/2005 | | M | 30,450 | <u>(6)</u> | 09/17/2008 | Humana Common <u>(1)</u> | 30,450 |
| <u>(4)</u> Options | \$ 15.5938 | 01/06/2005 | | M | 22,925 | <u>(7)</u> | 01/09/2007 | Humana Common <u>(1)</u> | 22,925 |
| <u>(4)</u> Options | \$ 19.25 | 01/06/2005 | | M | 20,000 | <u>(8)</u> | 01/15/2009 | Humana Common <u>(1)</u> | 20,000 |
| <u>(4)</u> Options | \$ 9.26 | | | | | <u>(9)</u> | 03/13/2013 | Humana Common <u>(1)</u> | 15,000 |
| <u>(10)</u> Options | \$ 21.275 | | | | | <u>(11)</u> | 02/24/2014 | Humana Common <u>(1)</u> | 15,000 |
| <u>(4)</u> Options | \$ 16.2 | | | | | <u>(12)</u> | 02/24/2014 | Humana Common <u>(1)</u> | 25,000 |

| | | | | | |
|---------------------------|------|------|------|-------------------------|-------|
| Phantom Stock Units | (13) | (13) | (13) | Humana Common (1) | 3,654 |
|---------------------------|------|------|------|-------------------------|-------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SHIELDS R EUGENE HUMANA INC. 500 WEST MAIN STREET LOUISVILLE, KY 40202 | | | Senior Vice President-Gov Prgm | |

Signatures

R. Eugene Shields 01/06/2005

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 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) Reporting person has a child over the age of majority living in his household who holds 1,277 shares.
 - (3) Shares held for the benefit of reporting person as of November 30, 2004 under the Humana Retirement & Savings Plan, including a routine disposition of shares to fund an administrative fee assessment under a Tax-Conditioned Plan, both exempt under Rule 16b-3(c).
 - (4) Right to buy pursuant to the Company's 1996 Stock Incentive Plan for Employees.
 - (5) Non-Qualified stock options were granted to reporting person on 9/17/98 vesting in three increments from 9/17/99 to 1/15/01.
 - (6) Non-Qualified stock options were granted to reporting person on 9/17/98, all of which vest on 9/17/99.
 - (7) Non-Qualified stock options were granted to reporting person on 9/17/98 vesting in two increments from 9/17/99 to 1/9/00.
 - (8) Non-Qualified stock options were granted to reporting person on 1/15/99 vesting in three increments from 1/15/00 to 1/15/02.
 - (9) Incentive and Non-Qualified stock options were granted to reporting person on 3/13/03, NQ options to vest in two increments on 3/13/04 & 3/13/05, and ISO's to vest in three increments from 3/13/04 to 3/13/06.
 - (10) Right to buy pursuant to the Company's 2003 Stock Incentive Plan.
 - (11) Incentive and Non-Qualified stock options were granted to reporting person on 2/24/04, NQ options vesting in three increments from 2/24/05 to 2/24/07, and ISO's vesting in two increments on 2/24/06 and 2/24/07.
 - (12) Non-Qualified stock options were granted to reporting person on 6/24/04 vesting in three increments from 6/24/05 to 6/24/07.
 - (13) Phantom Stock Units held for the benefit of reporting person as of November 30, 2004, based on the value of Humana common stock on a 1-for1 basis, under the Humana Excess Plan and exempt under Rule 16b-3(c and d).

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.