Holland Mason R Jr
Form 4
April 03, 2019

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
Holland Mason R Jr

(Last) (First) (Middle)

100 BENEFITFOCUS WAY

(Street)

CHARLESTON, SC 29492

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
Benefitfocus,Inc. [BNFT]

3. Date of Earliest Transaction (Month/Day/Year)
04/01/2019

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Executive Chairman of the Bd.

6. 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 (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	(A) or (D)	Price			
Common Stock	04/01/2019		M		5,641 (1)	A	$ 0	43,929	D	
Common Stock	04/01/2019		M		9,878 (2)	A	$ 0	53,807	D	
Common Stock	04/01/2019		A		3,501 (3)	A	$ 0	57,308	D	
Common Stock	04/01/2019		A		2,318 (4)	A	$ 0	59,626	D	
Common Stock								2,649,099	I	By Holland Family Trust (5)

Common Stock		5	I	As custodian for minor son

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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Performance Restricted Stock Units	(1)	04/01/2019		M			5,641	(1)	04/01/2019	Common Stock	5,6
Performance Restricted Stock Units	(6)	04/01/2019		D			577	(6)	04/01/2019	Common Stock	57
Performance Restricted Stock Units	(2)	04/01/2019		M			9,878	(2)	04/01/2022	Common Stock	9,8
Performance Restricted Stock Units	(6)	04/01/2019		D			2,620	(6)	04/01/2022	Common Stock	2,6
Performance Restricted Stock Units	(7)	04/01/2019		A		3,478		(7)	04/01/2020	Common Stock	3,4
Performance Restricted Stock Units	(8)	04/01/2019		A		6,956		(8)	04/01/2023	Common Stock	6,9

Reporting Owners

Reporting Owner Name / Address	Relationships

	Director	10% Owner	Officer	Other
Holland Mason R Jr 100 BENEFITFOCUS WAY CHARLESTON, SC 29492	X		Executive Chairman of the Bd.	

Signatures

/s/ S. Halle Vakani, Attorney-in-Fact	04/03/2019
**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) Shares earned upon the vesting of a percentage of the performance restricted stock units ("PRSUs") granted to the Reporting Person on March 29, 2018. Each PRSU represented a contingent right to receive one share of Issuer common stock upon the Issuer's achievement of an annual revenue goal, an adjusted EBITDA goal, and a net new bookings goal, during the period of January 1, 2018 through December 31, 2018.

(2) Shares earned upon the vesting of a percentage of the PRSUs granted to the Reporting Person on March 29, 2018. Each PRSU represented a contingent right to receive one share of Issuer common stock upon the Issuer's achievement of annual recurring revenue bookings percentage growth goals during the period of January 1, 2018 through December 31, 2018. One-fourth of the shares are vested, with the remaining shares to vest in three equal annual installments beginning on April 1, 2020.

(3) Represents common stock of the Issuer resulting from the vesting of restricted stock units granted in connection with the achievement of performance metrics in 2018.

(4) Represents restricted stock units which vest in four equal annual installments beginning on April 1, 2020, subject to continued employment.

(5) These shares are held in a living trust for the benefit of the Reporting Person and his spouse. The Reporting Person shares voting and investment control over these shares.

(6) Represents the portion of PRSUs that were forfeited to the Issuer after determining the percentage of PRSUs that vested.

(7) Each PRSU represents a contingent right to receive one share of Issuer common stock. The maximum number of PRSUs is presented in the table. A percentage of the PRSUs will vest upon the achievement of an annual revenue goal and an adjusted EBITDA goal, during the period of January 1, 2019 through December 31, 2019. Vesting of the target level PRSUs will accelerate upon death or disability during the performance period in an amount equal to the proportion of days in the performance period worked. Vesting of the target PRSUs may also accelerate in certain circumstances if there is a change in control of the Issuer during the performance period.

(8) Each PRSU represents a contingent right to receive one share of Issuer common stock. The maximum number of PRSUs is presented in the table. The PRSUs will vest upon the achievement of net annual recurring revenue bookings growth goals during the period of January 1, 2019 through December 31, 2019, such vesting to occur in four equal annual installments beginning on April 1, 2020, if the performance metrics are met. Vesting of the target level PRSUs will accelerate upon death or disability during the performance period in an amount equal to the proportion of days in the performance period worked. Vesting will also accelerate as to the next tranche of vesting units in the event of death or disability after the performance period. Vesting of the target PRSUs may also accelerate in certain circumstances if there is a change in control of the Issuer during the performance period.

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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