Fresh Market, Inc.
Form 4
April 27, 2016

# 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
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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 *
Stout Karen

(Last) (First) (Middle)

628 GREEN VALLEY ROAD, SUITE 500

(Street)

GREENSBORO, NC 27408

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
Fresh Market, Inc. [TFM]

3. Date of Earliest Transaction (Month/Day/Year)
04/22/2016

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)
SVP Store Operations

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 | 04/22/2016 | | U[(1)(2)] | | 5,343 | D | $ 28.5 | 0 | 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 Amou Underlying Securit (Instr. 3 and 4) | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amo or Num of Sh |
| Options to purchase | $ 22 | 04/27/2016 | | D[3] | | | 25,693 | [4] | [5] | Common stock | 25,6 |
| Options to purchase | $ 18.69 | 04/27/2016 | | D[3] | | | 12,693 | [6] | [7] | Common stock | 12,6 |
| Restricted stock units | [8] | 04/27/2016 | | D[9] | | | 264 | [10] | [10] | Common stock | 26 |
| Restricted stock units | [8] | 04/27/2016 | | D[9] | | | 689 | [11] | [11] | Common stock | 68 |
| Restricted stock units | [8] | 04/27/2016 | | D[9] | | | 659 | [12] | [12] | Common stock | 65 |
| Restricted stock units | [8] | 04/27/2016 | | D[9] | | | 4,538 | 03/18/2018 | 03/18/2018 | Common stock | 4,5 |
| Restricted stock units | [8] | 04/27/2016 | | D[9] | | | 4,815 | [13] | [13] | Common stock | 4,8 |
| Performance stock units | [14] | 04/27/2016 | | D[15] | | | 6,420 | [16] | [16] | Common stock | 6,4 |

# Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---|---|---|---|
| | Director | 10% Owner | Officer | Other |
| Stout Karen<br>628 GREEN VALLEY ROAD<br>SUITE 500<br>GREENSBORO, NC 27408 | | | SVP Store Operations | |

# Signatures

| /s/ Eric Hardin, attorney-in-fact | 04/27/2016 |
|---|---|
| **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)** | Pursuant to the terms of the Agreement and Plan of Merger, dated March 11, 2016, by and among The Fresh Market, Inc., Pomegranate Holdings, Inc., and Pomegranate Merger Sub, Inc. (the "Merger Agreement"), each outstanding share of common stock of The Fresh Market, Inc. at the Effective Time as defined in the Merger Agreement (the "Effective Time") was converted into the right to receive $28.50 per share, in cash, without interest (the "Merger Consideration"). |
| **(2)** | On March 25, 2016, Pomegranate Merger Sub, Inc. made an offer to purchase each outstanding share of The Fresh Market, Inc.'s common stock for the Merger Consideration (the "Offer"). The shares shown on this line were tendered in the Offer. |
| **(3)** | Pursuant to the Merger Agreement, each option to purchase shares of common stock of The Fresh Market, Inc. (each, a "Company Stock Option"), whether vested or unvested, was, as of the Effective Time, canceled and the holder thereof became entitled to receive solely, in full satisfaction of the rights of such holder with respect thereto, a lump-sum cash payment equal to the product of (i) the number of shares of common stock for which such Company Stock Option has not been exercised and (ii) the excess, if any, of the Merger Consideration over the exercise price per share of such Company Stock Option. |
| **(4)** | The options were granted on November 4, 2010 and vested and became exercisable in 25% increments on the first four anniversaries of the grant date. |
| **(5)** | The options expire upon the earlier of (a) the tenth anniversary of the date of grant; (b) if the holder's employment with The Fresh Market, Inc. is terminated for Cause as defined in the Option Award Agreement, the date of termination; or (c) if the holder's employment terminates for any other reason, the date that is three months after the date of termination. |
| **(6)** | The options were granted on February 3, 2016 and vest and become exercisable in 25% increments on the first four anniversaries of the grant date. |
| **(7)** | The options expire upon the earlier of (a) the tenth anniversary of the date of grant; (b) if the holder's employment with The Fresh Market, Inc. is terminated for Cause as defined in the Option Award Agreement, the date of termination; or (c) if the holder's employment terminates for any other reason, the date that is three months after the date of termination, subject to provisions for death, disability, and retirement. |
| **(8)** | Each restricted stock unit ("RSU") represents the right to receive one share of common stock of The Fresh Market, Inc. on the vesting date, provided that the holder of the RSU remains employed by The Fresh Market, Inc. through the relevant vesting date, subject to accelerated vesting provisions for death, disability, retirement, and change of control. |
| **(9)** | Pursuant to the Merger Agreement, each RSU outstanding immediately prior to the Effective Time was canceled and the holder thereof became entitled to receive solely, in full satisfaction of the rights of such holder with respect thereto, a lump-sum cash payment equal to the Merger Consideration. |
| **(10)** | The RSUs were granted on March 20, 2013 and vest in 25% increments on the first four anniversaries of the grant date. |
| **(11)** | The RSUs were granted on March 27, 2014 and vest in 25% increments on the first four anniversaries of the grant date. |
| **(12)** | The RSUs were granted on March 18, 2015 and vest in 25% increments on the first four anniversaries of the grant date. |
| **(13)** | The RSUs were granted on February 3, 2016 and vest in 25% increments on the first four anniversaries of the grant date. |
| **(14)** | Each performance share unit ("PSU") represents the contingent right to receive, on the vesting date, one share of common stock of The Fresh Market, Inc. to the extent that a performance goal is satisfied. The number of PSUs stated on this line represents the target number of shares of common stock that may be received; the actual number of shares may be higher or lower than the target depending on the extent to which the threshold and target performance goals are met or exceeded. The performance goal is based on The Fresh Market, Inc.'s financial performance over a one-year performance period ending January 29, 2017. |
| **(15)** | Pursuant to the Merger Agreement, each PSU granted in calendar year 2016 was canceled and the holder thereof became entitled to receive solely, in full satisfaction of the rights of such holder with respect thereto, a lump-sum cash payment equal to the greater of (i) the product of (A) target amount of shares of common stock that may be received and (B) the Merger Consideration (such product, the "Target Level Amount") or (ii) the product of (A) the number of shares of common stock that would be earned based on the financial results for the fiscal quarters completed prior to the Effective Time, as measured against prorated performance goals for the period from the beginning of the performance period through the last day of the most recently completed fiscal quarter prior to the Effective Time and (B) the Merger Consideration. In this case, the holder became entitled to the Target Level Amount. |
| **(16)** | The PSUs vest and convert to common stock as of January 27, 2019, provided that the holder remains employed by The Fresh Market, Inc. or its affiliates through such date, subject to provisions for death, disability, retirement, and change of control. |

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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