

Queally Paul B.
Form 4
November 14, 2018

FORM 4

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Queally Paul B.

2. Issuer Name **and** Ticker or Trading
Symbol
K2M GROUP HOLDINGS, INC.
[KTWO]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

C/O WELSH, CARSON,
ANDERSON & STOWE, 599
LEXINGTON AVENUE, SUITE
1800

3. Date of Earliest Transaction
(Month/Day/Year)
11/09/2018

☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

(Street)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)

☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

NEW YORK, NY 10022

(City) (State) (Zip)

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)
Common Stock	11/09/2018		D	86,639	D		
				(A) or (D)	Price \$ 27.5 (1)	0	
Common Stock	11/09/2018		D	871	D		By The Queally Family LLC (8)
				(A) or (D)	Price \$ 27.5 (1)	0	
Common Stock	11/09/2018		D	1,922	D		By trusts (8)
				(A) or (D)	Price \$ 27.5 (1)	0	

(1)

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

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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. Pr Deriv Secu (Instr		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Option (Right to Buy)	\$ 23.59	11/09/2018		D		5,727		<u>(3)</u>	<u>(2)</u>	Common Stock	5,727	0
Stock Option (Right to Buy)	\$ 22.81	11/09/2018		D		6,655		<u>(4)</u>	<u>(2)</u>	Common Stock	6,655	0
Stock Option (Right to Buy)	\$ 14.38	11/09/2018		D		10,268		<u>(5)</u>	<u>(2)</u>	Common Stock	10,268	0
Stock Option (Right to Buy)	\$ 23.46	11/09/2018		D		10,500		<u>(6)</u>	<u>(2)</u>	Common Stock	10,500	0
Stock Option (Right to Buy)	\$ 15	11/09/2018		D		14,404		<u>(7)</u>	<u>(2)</u>	Common Stock	14,404	0

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Queally Paul B.
C/O WELSH, CARSON, ANDERSON & STOWE
599 LEXINGTON AVENUE, SUITE 1800
NEW YORK, NY 10022

X

Signatures

/s/ David Mintz,
Attorney-in-Fact

11/14/2018

__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) Disposed of pursuant to an Agreement and Plan of Merger dated as of August 29, 2018 (the "Merger Agreement"), by and among Stryker Corporation ("Stryker"), a wholly owned subsidiary of Stryker ("Merger Sub"), and the Issuer, pursuant to which Merger Sub merged with and into the Issuer, with the Issuer surviving as a wholly-owned subsidiary of Stryker. Stryker acquired all of the issued and outstanding shares of Common Stock of the Issuer in an all cash transaction for \$27.50 per share (the "Merger Consideration").

(2) The option was cancelled pursuant to the Merger Agreement, in exchange for a cash payment equal to the product of (A) the excess, if any, of (1) the Merger Consideration over (2) the option exercise price, and (B) the number of shares of Common Stock subject to the option.

(3) The option provided for vesting in three equal installments on June 5, 2019, June 5, 2020 and June 5, 2021.

(4) The option provided for vesting in three equal installments on June 6, 2018, June 6, 2019 and June 6, 2020.

(5) The option provided for vesting in three equal installments on August 15, 2017, August 15, 2018 and August 15, 2019.

(6) The option provided for vesting in three equal installments on July 1, 2016, July 1, 2017 and July 1, 2018.

(7) The option provided for vesting in three equal installments on May 7, 2015, May 7, 2016 and May 7, 2017.

(8) The Reporting Person disclaims beneficial ownership of such shares except to the extent of his pecuniary interest, if any, therein.

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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