

## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## 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 Instruction 1(b).



Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

## OMB APPROVAL

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1. Name and Address of Reporting Person* <u>Restivo James P</u>			2. Issuer Name and Ticker or Trading Symbol <u>Benefitfocus, Inc. [ BNFT ]</u>			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) Other (specify below) <u>Chief Technology Officer</u>		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>03/29/2018</u>			6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person		
<u>100 BENEFITFOCUS WAY</u>			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) <u>CHARLESTON SC 29492</u>								
(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/29/2018		M		5,176 <sup>(1)</sup>	A	\$0.00	54,384	D	
Common Stock	03/29/2018		M		847 <sup>(2)</sup>	A	\$0.00	55,231	D	
Common Stock	03/29/2018		A		7,152 <sup>(3)</sup>	A	\$0.00	62,383	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Performance Restricted Stock Units	(1)	03/29/2018		M			5,176	(1)	12/31/2017	Common Stock	5,176	\$0.00	3,451	D	
Performance Restricted Stock Units	(4)	03/29/2018		D			3,451	(4)	12/31/2017	Common Stock	3,451	\$0.00	0	D	
Performance Restricted Stock Units	(2)	03/29/2018		M			847	(2)	04/01/2018	Common Stock	847	\$0.00	1,975	D	
Performance Restricted Stock Units	(4)	03/29/2018		D			1,975	(4)	04/01/2018	Common Stock	1,975	\$0.00	0	D	
Performance Restricted Stock Units	(4)	03/29/2018		D			8,467	(4)	04/01/2021	Common Stock	8,467	\$0.00	0	D	
Performance Restricted Stock Units	(5)	03/29/2018		A		3,612		(5)	04/01/2019	Common Stock	3,612	\$0.00	3,612	D	
Performance Restricted Stock Units	(6)	03/29/2018		A		21,783		(6)	04/01/2022	Common Stock	21,783	\$0.00	21,783	D	

## Explanation of Responses:

- Shares earned upon the vesting of a percentage of the performance restricted stock units ("PRSUs") granted to the Reporting Person on January 18, 2016. Each PRSU represented a contingent right to receive one share of Issuer common stock upon the Issuer's achievement of adjusted EBITDA and compounded annual revenue growth rate goals during the period of January 1, 2015 through December 31, 2017.
- Shares earned upon the vesting of a percentage of the PRSUs granted to the Reporting Person on March 31, 2017. Each PRSU represented a contingent right to receive one share of Issuer common stock upon the Issuer's achievement of annual revenue goals and free cash flow goals, all subject to a minimum adjusted EBITDA level, during the period of January 1, 2017 through December 31, 2017.
- Represents restricted stock units which vest in four equal annual installments beginning on April 1, 2019, subject to continued employment.
- Represents the portion of PRSUs that were forfeited to the Issuer after determining the percentage of PRSUs that vested.
- 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, an adjusted EBITDA goal, and a net new bookings goal, during the period of January 1, 2018 through December 31, 2018. 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.
- 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 annual recurring revenue bookings percentage growth goals during the period of January 1, 2018 through December 31, 2018, such vesting to occur in four equal annual installments beginning on April 1, 2019, 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.

## Remarks:

/s/ S. Halle Vakani, Attorney-in- 04/02/2018

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**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 Number.**