QUALITY DISTRIBUTION INC

Form 4

August 19, 2015

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Ernst Melissa M

(Street)

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

QUALITY DISTRIBUTION INC [QLTY]

(Check all applicable)

(Last) (First) 3. Date of Earliest Transaction

Director 10% Owner Other (specify X_ Officer (give title

08/18/2015

below) Sr. VP - HR and Driver Serv.

4041 PARK OAKS BOULEVARD.

(Middle)

SUITE 200

4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check

Filed(Month/Day/Year)

(Month/Day/Year)

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

TAMPA, FL 33610

(City) (State) (Zip) 1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if

4. Securities Acquired 5. Amount of 3. Transaction(A) or Disposed of Code (D) (Instr. 3, 4 and 5) (Instr. 8)

Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Ownership Indirect (I) (Instr. 4) (Instr. 4)

(Month/Day/Year)

(A) or

Transaction(s) (Instr. 3 and 4)

Reported

Code V

Price (D) Amount 29.416

D

Common Stock (1)

(Instr. 3)

08/18/2015

D D \$ 16 0 (2)

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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. Transactio Code (Instr. 8)	5. Number of or 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 Amour Underlying Securit (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amo or Num of Sh
Non-Qualified Stock Option (Right to Buy)	\$ 7.94	08/18/2015		D	15,000	<u>(4)</u>	01/03/2016	Common Stock	15,0
Non-Qualified Stock Option (Right to Buy)	\$ 4.5	08/18/2015		D	1,334	(3)	01/02/2018	Common Stock	1,3
Non-Qualified Stock Option (Right to Buy)	\$ 2.47	08/18/2015		D	7,500	<u>(4)</u>	01/29/2019	Common Stock	7,5
Non-Qualified Stock Option (Right to Buy)	\$ 1.25	08/18/2015		D	5,720	<u>(4)</u>	03/11/2019	Common Stock	5,7
Non-Qualified Stock Option (Right to Buy)	\$ 3.82	08/18/2015		D	5,625	<u>(4)</u>	11/04/2019	Common Stock	5,6
Non-Qualified Stock Option (Right to Buy)	\$ 9.66	08/18/2015		D	10,000	<u>(4)</u>	01/21/2021	Common Stock	10,0
Non-Qualified Stock Option (Right to Buy)	\$ 12.82	08/18/2015		D	3,150	<u>(4)</u>	02/13/2022	Common Stock	3,1
Non-Qualified Stock Option (Right to Buy)	\$ 6.48	08/18/2015		D	7,000	<u>(4)</u>	01/02/2023	Common Stock	7,0
Performance Restricted Stock Units (1) (5)	\$ 0	08/18/2015		D	36,800	<u>(5)</u>	12/31/2016	Common Stock	36,8

Performance

Restricted \$0 08/18/2015 D 1,225 (6) 12/31/2017 Common Stock Units (1) Stock

(6)

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Ernst Melissa M 4041 PARK OAKS BOULEVARD, SUITE 200 TAMPA, FL 33610

Sr. VP - HR and Driver Serv.

Signatures

/s/ John T. Wilson 08/19/2015

**Signature of Date
Reporting Person

Explanation of Responses:

common stock underlying the stock option.

- * 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).

On August 18, 2015, Gruden Acquisition, Inc. ("Parent") acquired the issuer pursuant to the Agreement and Plan of Merger by and among issuer, Parent and Gruden Merger Sub, Inc., a wholly owned subsidiary of Parent ("Merger Sub"), dated as of May 6, 2015 (the "Merger Agreement"). In accordance with the Merger Agreement, Merger Sub merged with and into the issuer (the "Merger"), with the

- (1) issuer surviving the Merger as a wholly owned subsidiary of Parent. At the effective time of the Merger, each outstanding share of the issuer's common stock (including the shares of common stock relating to previously unvested restricted stock and restricted stock unit awards) was cancelled and converted into the right to receive \$16.00 in cash (the "per share merger consideration"). The Merger is more fully described in the issuer's Proxy Statement filed with the SEC on July 16, 2015.
- This amount includes (i) 9,562 shares of common stock held directly by Ms. Ernst and (ii) 19,854 shares of common stock relating to unvested restricted stock and unvested restricted stock unit awards that vested automatically upon the Merger. 9,033 of the shares of common stock held directly by Ms. Ernst will be contributed in exchange for equity in the post-closing entity with the same value as if the shares of common stock had been cancelled and converted into the right to receive the per share merger consideration.
- The stock options vest in three equal annual installments on each anniversary of the date of grant. The Merger Agreement provided that each outstanding stock option, whether vested or unvested, be cancelled at the effective time of the Merger in exchange for the right to receive a cash payment equal to the product of (i) the total number of shares of common stock subject to the stock option as of the effective time of the Merger and (ii) the amount by which the per share merger consideration exceeds the per share exercise price of the
 - The stock options vest ratably over four years on each anniversary of the date of grant. The Merger Agreement provided that each outstanding stock option, whether vested or unvested, be cancelled at the effective time of the Merger in exchange for the right to receive
- (4) a cash payment equal to the product of (i) the total number of shares of common stock subject to the stock option as of the effective time of the Merger and (ii) the amount by which the per share merger consideration exceeds the per share exercise price of the common stock underlying the stock option.
 - These performance-based restricted stock units were scheduled to vest on December 31, 2016, subject to continued service and the achievement of certain performance goals. In accordance with the terms of the Merger Agreement, the performance-based restricted stock
- (5) units were cancelled at the effective time of the Merger in exchange for the right to receive a cash amount equal to the per share merger consideration multiplied by the total number of shares of common stock subject to such performance stock award assuming vesting at the maximum level.
- (6) These performance-based restricted stock units were scheduled to vest on December 31, 2017, subject to continued service and the achievement of certain performance goals. In accordance with the terms of the Merger Agreement, the performance-based restricted stock units were cancelled at the effective time of the Merger in exchange for the right to receive a cash amount equal to the per share merger

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consideration multiplied by 25% of the total number of shares of common stock subject to such performance stock award assuming vesting at the target level.

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.