

SAFEGUARD SCIENTIFICS INC

Form 4

June 27, 2016

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 *
ZARRILLI STEPHEN T

2. Issuer Name **and** Ticker or Trading
Symbol
SAFEGUARD SCIENTIFICS INC
[SFE]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

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

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

170 NORTH RADNOR-CHESTER
ROAD, SUITE 200

06/23/2016

President & CEO

(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

RADNOR, PA 19087

(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	06/23/2016		M		51,666	A	\$ 7.65	129,955	D
Common Stock	06/23/2016		M		1,342	A	\$ 7.41	131,297	D
Common Stock	06/23/2016		M		1,458	A	\$ 7.41	132,755	D
Common Stock	06/23/2016		M		62,500	A	\$ 7.65	195,255	D
Common Stock	06/23/2016		F		91,297	D	\$ 12.795	103,958	D

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Common Stock	5,490	I	STZ DB Plan
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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)		8. Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title		Amount or Number of Shares
Stock Option (right to buy)	\$ 7.65	06/23/2016		M	51,666	<u>(1)</u>	06/30/2016	Common Stock		51,666
Stock Option (right to buy)	\$ 7.41	06/23/2016		M	1,342	<u>(2)</u>	09/30/2016	Common Stock		1,342
Stock Option (right to buy)	\$ 7.41	06/23/2016		M	1,458	<u>(3)</u>	09/30/2016	Common Stock		1,458
Stock Option (right to buy)	\$ 7.65	06/23/2016		M	62,500	<u>(4)</u>	06/30/2016	Common Stock		62,500

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ZARRILLI STEPHEN T 170 NORTH RADNOR-CHESTER ROAD, SUITE 200 RADNOR, PA 19087	X President & CEO

Signatures

By: Deirdre Blackburn For: Stephen T.
Zarrilli

06/27/2016

__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) Option features market-based vesting so that option only becomes exercisable upon sustained improvement in the trading price of the Issuer's common stock in the following increments: 20% at \$18.9288 per share; an additional 30% at \$27.8796 per share; an additional 40% at \$39.0684 per share; and the remaining 10% at \$43.3476 (based on the average daily closing price of the Issuer's common stock on the NYSE for any 20 consecutive trading days preceding a vesting date), with pro rata vesting based on sustained improvement in the trading price of the Issuer's common stock between the exercise price and \$18.9288 and between the other stock price vesting thresholds set forth above.

(2) On September 30, 2008, the reporting person was granted an option to purchase 4,375 shares of common stock, the vesting of which is subject to the satisfaction of certain corporate performance criteria. In accordance with the previously established criteria, 1,342 of such options have vested.

(3) 25% of the shares vested on September 30, 2009 and the remaining 75% vested in 36 equal monthly installments on the same date of each calendar month thereafter.

(4) 25% of the shares vested on June 30, 2009 and the remaining 75% vested in 36 equal monthly installments on the same date of each calendar month thereafter.

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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