

TOWN SPORTS INTERNATIONAL HOLDINGS INC  
Form SC 13D/A  
March 14, 2016

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 13D  
(RULE 13D - 101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO 13d-1(a) AND AMENDMENTS  
THERE TO FILED PURSUANT TO 13d-2(a)

(Amendment No. 7)\*

Town Sports International Holdings, Inc.  
(Name of Issuer)

Common Stock, par value \$0.001 per share  
(Title of Class of Securities)

89214A102  
(CUSIP Number)

Patrick Walsh  
PW Partners Atlas Funds, LLC  
141 W. Jackson Blvd., Suite 1702  
Chicago, Illinois 60604  
(312) 347-1709

Steve Wolosky, Esq.  
Olshan Frome Wolosky LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
(212) 451-2300

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

March 10, 2016  
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners Atlas Fund III LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	0 SHARED VOTING POWER
	9	3,179,796 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER
		3,179,796

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,179,796

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

12.7%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners Atlas Funds, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	0	
	8	SHARED VOTING POWER
	9	3,179,796 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER
		3,179,796

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,179,796

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

12.7%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners Master Fund (QP) LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	0	
	8	SHARED VOTING POWER
	9	20,000 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER
		20,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

20,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

Less than 1%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)   
GROUP (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES	7	SOLE VOTING POWER
BENEFICIALLY OWNED BY	8	0
EACH REPORTING PERSON WITH	9	20,000
	10	0
		20,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

20,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)   
EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

Less than 1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners Capital Management LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		3,308,231
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		3,308,231

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,308,231

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.2%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

Patrick Walsh

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

PF, AF, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		299,294
	8	SHARED VOTING POWER
		3,308,231
	9	SOLE DISPOSITIVE POWER
		299,294
	10	SHARED DISPOSITIVE POWER
		3,308,231

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,607,525

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.4%

14 TYPE OF REPORTING PERSON

IN



CUSIP NO. 89214A102

The following constitutes Amendment No. 7 to the Schedule 13D filed by the undersigned (“Amendment No. 7”). This Amendment No. 7 amends the Schedule 13D as specifically set forth herein.

Item 2. Identity and Background.

Item 2 is hereby amended and restated to read as follows:

(a) This statement is filed by PW Partners Atlas Fund III LP, a Delaware limited partnership (“Atlas Fund III”), PW Partners Atlas Funds, LLC, a Delaware limited liability company (“Atlas Fund GP”), PW Partners Master Fund (QP) LP, a Delaware limited partnership (“Master Fund QP”), PW Partners, LLC, a Delaware limited liability company (“PW Master Fund GP”), PW Partners Capital Management LLC, a Delaware limited liability company (“PW Capital Management”), and Patrick Walsh.

Each of the foregoing is referred to as a “Reporting Person” and collectively as the “Reporting Persons.”

Atlas Fund GP is the general partner of Atlas Fund III. By virtue of this relationship, Atlas Fund GP may be deemed to beneficially own the Shares beneficially owned directly by Atlas Fund III.

PW Master Fund GP is the general partner of Master Fund QP. By virtue of this relationship, PW Master Fund GP may be deemed to beneficially own the Shares owned directly by Master Fund QP.

PW Capital Management acts as the investment manager with respect to Atlas Fund III and Master Fund QP, as well as a managed account separately managed by PW Capital Management (the “Separately Managed Account”). Mr. Walsh is the Managing Member and Chief Executive Officer of each of Atlas Fund GP and PW Master Fund GP and the Managing Member of PW Capital Management. By virtue of these relationships, each of PW Capital Management and Mr. Walsh may be deemed to beneficially own the Shares beneficially owned directly by Atlas Fund III and Master Fund QP and held in the Separately Managed Account.

(b) The business address of each of the Reporting Persons is 141 W. Jackson Blvd., Suite 1702, Chicago, IL 60604.

(c) The principal business of Atlas Fund III and Master Fund QP is investing in securities. The principal business of Atlas Fund GP is serving as the general partner of Atlas Fund III. The principal business of PW Master Fund GP is serving as the general partner of Master Fund QP. The principal business of PW Capital Management is serving as the investment manager with respect to Atlas Fund III. The principal occupation of Mr. Walsh is serving as the Managing Member and Chief Executive Officer of each of Atlas Fund GP and PW Master Fund GP and the Managing Member of PW Capital Management. Mr. Walsh is also a director of the Issuer.

(d) No Reporting Person has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) No Reporting Person has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Each of Atlas Fund III, Master Fund QP, Atlas Fund GP, PW Master Fund GP and PW Capital Management is organized under the laws of the State of Delaware. Mr. Walsh is a citizen of the United States of America.



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Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The Shares purchased by Atlas Fund III and Master Fund QP and held in the Separately Managed Account were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business).

The aggregate purchase price of the 3,179,796 Shares directly owned by Atlas Fund III is approximately \$15,762,199, excluding brokerage commissions. The aggregate purchase price of the 20,000 Shares directly owned by Master Fund QP is approximately \$38,554, excluding brokerage commissions. The aggregate purchase price of the 108,435 Shares held in the Separately Managed Account is approximately \$231,833, excluding brokerage commissions.

Other than 229,344 Shares awarded to Mr. Walsh in connection with his service as a director of the Issuer, the Shares directly owned by Mr. Walsh were purchased with personal funds. The aggregate purchase price of the 69,950 Shares purchased by Mr. Walsh is approximately \$319,532, excluding brokerage commissions.

Item 5. Interest in Securities of the Issuer.

Items 5(a) - 5(c) are hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 25,002,411 Shares outstanding as of March 1, 2016, which is the total number of Shares outstanding as reported in the Issuer's Form 10-K filed with the Securities and Exchange Commission on March 7, 2016.

As of the close of business on March 11, 2016, Atlas Fund III beneficially owned directly 3,179,796 Shares, Master Fund QP owned directly 20,000 Shares, 108,435 Shares were held in the Separately Managed Account and Mr. Walsh beneficially owned directly 299,294 Shares, constituting approximately 12.7%, less than 1% and less than 1%, respectively, of the Shares outstanding.

Atlas Fund GP, as the general partner of Atlas Fund III, may be deemed to beneficially own the 3,179,796 Shares directly beneficially owned by Atlas Fund III, constituting approximately 12.7% of the Shares outstanding.

PW Master Fund GP, as the general partner of Master Fund QP, may be deemed to beneficially own the 20,000 Shares directly owned by Master Fund QP, constituting less than 1% of the Shares outstanding.

PW Capital Management, as the investment manager with respect to each of Atlas Fund III and Master Fund QP and the Separately Managed Account, may be deemed to beneficially own the 3,308,231 Shares directly beneficially owned by Atlas Fund III and Master Fund QP and held in the Separately Managed Account, constituting approximately 13.2% of the Shares outstanding.

Mr. Walsh, as the Managing Member and Chief Executive Officer of each of Atlas Fund GP and PW Master Fund GP and the Managing Member of PW Capital Management, may be deemed to beneficially own the 3,308,231 Shares beneficially owned in the aggregate by Atlas Fund GP, PW Master Fund GP and PW Capital Management, which, together with the Shares he directly beneficially owns, constitutes an aggregate of 3,607,525 Shares or approximately 14.4% of the Shares outstanding.



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(b) Each of Atlas Fund III, Atlas Fund GP, PW Capital Management and Mr. Walsh have shared power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares beneficially owned directly by Atlas Fund III.

Each of Master Fund QP, PW Master Fund GP, PW Capital Management and Mr. Walsh have shared power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares owned directly by Master Fund QP.

Each of PW Capital Management and Mr. Walsh have shared power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares held in the Separately Managed Account.

Mr. Walsh has the sole power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares beneficially owned directly by him.

(c) Schedule A attached hereto reports all open market transactions in the securities of the Issuer by the Reporting Persons during the past 60 days. On February 1, 2016, Mr. Walsh received 37,975 Shares in his capacity as a director of the Issuer. On March 11, 2016, Mr. Walsh received 185,000 Shares in his capacity as a director of the Issuer. PW Partners Master Fund LP internally transferred 25,000 Shares to its affiliate Atlas Fund III for no consideration.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Item 6 is hereby amended to add the following:

On March 10, 2016, the Reporting Persons entered into a Joint Filing Agreement in which the Reporting Persons agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to securities of the Issuer, to the extent required by applicable law. A copy of this agreement is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following:

Exhibit No. Description

99.1 Joint Filing Agreement by and among the Reporting Persons, dated March 10, 2016.

CUSIP NO. 89214A102

SIGNATURES

After reasonable inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information with respect to it set forth in this statement is true, complete, and correct.

Dated: March 14, 2016

PW PARTNERS ATLAS FUND III LP

By: PW Partners Atlas Funds, LLC  
General Partner

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member and Chief Executive Officer

PW PARTNERS ATLAS FUNDS, LLC

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member and Chief Executive Officer

PW PARTNERS MASTER FUND (QP) LP

By: PW Partners, LLC  
General Partner

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member and Chief Executive Officer

PW PARTNERS, LLC

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member and Chief Executive Officer

PW PARTNERS CAPITAL MANAGEMENT LLC

By: /s/ Patrick Walsh

Name: Patrick Walsh  
Title: Managing Member

/s/ Patrick Walsh  
PATRICK WALSH

CUSIP NO. 89214A102

SCHEDULE A

TRANSACTIONS IN THE SECURITIES OF THE ISSUER DURING THE PAST SIXTY DAYS

Class of Security	Amount of Securities Purchased	Price (\$)	Date of Purchase
PW PARTNERS ATLAS FUND III LP			
Common Stock	96,174	1.9277	03/10/2016
Common Stock	167,378	2.0529	03/11/2016
PW PARTNERS CAPITAL MANAGEMENT LLC (Through The Separately Managed Account)			
Common Stock	70,000	1.9277	03/10/2016
PW PARTNERS MASTER FUND (QP) LP			
Common Stock	20,000	1.9277	03/10/2016