

PROXYMED INC /FT LAUDERDALE/  
Form 4  
August 04, 2005

**FORM 4**

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

OMB APPROVAL

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**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
FALK MICHAEL

2. Issuer Name and Ticker or Trading Symbol  
PROXYMED INC /FT LAUDERDALE/ [PILL]

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
08/01/2005

\_\_\_\_ Director  
\_\_\_\_ Officer (give title below)  
 10% Owner  
\_\_\_\_ Other (specify below)

ONE NORTH CLEMATIS STREET, SUITE 300

(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

WEST PALM BEACH, FL 33401

(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	08/01/2005	08/01/2005	J <sup>(1)</sup>		1,040,106	D	Ⓛ
							1,731,766 <sup>(2)</sup> (3) (4) (5) (9)
						I	By PVC Funding Partners, LLC
Common Stock	08/01/2005	08/01/2005	J <sup>(1)</sup>		220,434	A	Ⓛ
							1,731,766 <sup>(2)</sup> (3) (6) (9)
						I	By ComVest Venture Partners, L.P.
Common Stock	08/01/2005	08/01/2005	J <sup>(1)</sup>		19,048	A	Ⓛ
							1,731,766 <sup>(2)</sup> (3) (7) (9)
						D	

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Common Stock 05/10/2005 05/10/2005 J<sup>(8)</sup> 148,433 A <sup>(8)</sup> 1,731,766 <sup>(2)</sup> <sub>(3) (9)</sub> D

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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Transaction (Instr. 3 and 4)
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FALK MICHAEL ONE NORTH CLEMATIS STREET SUITE 300 WEST PALM BEACH, FL 33401		X		
PVC FUNDING PARTNERS LLC 830 3RD AVE NEW YORK, NY 10022		X		

## Signatures

/s/ Michael S. Falk 08/04/2005  
 \*\*Signature of Reporting Person Date

/s/ PVC Funding Partners, LLC 08/04/2005  
 \*\*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) PVC Funding Partners, LLC ("PVC") distributed (the "Distribution") to its members 1,040,106 shares of common stock of the issuer (the "Common Stock") owned of record by PVC. No additional consideration was paid by the members to PVC in connection with such Distribution. PVC is managed by Commonwealth Associates, LP ("CA"), of which Mr. Falk is Chairman, and ComVest Venture Partners, LP ("ComVest Venture"), of which Mr. Falk is Managing Partner. ComVest Venture and Mr. Falk are members of PVC.

(2) This number includes: (i) 1,040,106 shares of Common Stock owned by PVC; (ii) 29 shares of Common Stock owned by CA (see footnote 4); (iii) 19,932 shares of Common Stock owned by Commonwealth Associates Group Holdings LLC ("CAGH"), of which Mr. Falk is Chairman and principal member (see footnote 4); (iv) 332,715 shares of Common Stock owned by ComVest Venture (see footnotes 1 and 5); (v) 305,716 shares of Common Stock owned by Mr. Falk (see footnotes 1 and 6); (vi) 24,167 shares of Common Stock issuable upon exercise of fully-vested warrants owned by Mr. Falk; and (vii) 9,101 shares of Common Stock owned by Mr. Falk's wife, IRA and children. Due to Mr. Falk's association with each of the foregoing, Mr. Falk could be deemed to beneficially own all of the foregoing shares. Mr. Falk disclaims beneficial ownership of all of the shares listed in items (i), (ii), (iii) and (iv) that are beneficially owned by third-party investors, and the shares listed in item (vii).

(3) This number does not include an aggregate of 3,333 shares of Common Stock issuable upon exercise of warrants that have not yet vested and are not expected to vest within the next 60 days.

(4) It was previously reported that PVC owned of record 2,080,115 shares of Common Stock. The previous reports were erroneous. Immediately prior to the Distribution described in footnote 1, PVC owned of record 2,080,212 shares of Common Stock. Therefore, immediately following the Distribution described in footnote 1, PVC owns of record 1,040,106 shares of Common Stock. As Chairman of CA and Managing Partner of ComVest Venture, the managers of PVC, Mr. Falk could be deemed to beneficially own the 1,040,106 shares of Common Stock retained by PVC following such Distribution. Mr. Falk disclaims beneficial ownership of that portion of such 1,040,106 shares that are beneficially owned by third-party investors in PVC.

(5) It was previously reported that CA owned of record an aggregate of 19,431 shares of Common Stock. Prior to the date hereof, CA transferred in a private placement 19,402 of such shares to its affiliate, CAGH, of which Mr. Falk is Chairman and principal member.

(6) ComVest Venture, as a member of PVC, received 220,434 shares of Common Stock from PVC in the Distribution described in footnote 1.

(7) Mr. Falk, as a member of PVC, received 19,048 shares of Common Stock from PVC in the Distribution described in footnote 1.

(8) On May 10, 2005, Commonwealth Associates Liquidation, LLC ("CA Liquidation"), of which Mr. Falk is Managing Member, distributed 248,446 shares of Common Stock (representing all shares of Common Stock owned by CA Liquidation) to its members, including Commonwealth Associates Management Company, Inc. ("CAMC"), which received 232,378 of such shares. Mr. Falk is Chairman of CAMC. Immediately after this distribution, CAMC distributed its 232,378 shares of Common Stock (representing all shares of Common Stock owned by CAMC) to its members, including Mr. Falk., who received 148,433 of such shares. No additional consideration was paid by CAMC to CA Liquidation or by Mr. Falk to CAMC in connection with these distributions.

(9) It was previously reported that CA Liquidation owned 2,822 shares of Common Stock issuable upon exercise of a warrant. That warrant has subsequently expired without exercise. It was previously reported that ComVest Capital Partners LLC ("ComVest Capital"), of which Mr. Falk is Managing Member, owned of record 16,278 shares of Common Stock. The previous reports were erroneous. ComVest Capital does not own any shares of Common Stock. These entries are being made in order to correct erroneous information contained in previous Form 4 filings made on behalf of Mr. Falk.

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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