

Eliason James
Form 4
December 13, 2018

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 *
Eliason James

(Last) (First) (Middle)

C/O DATAWATCH
CORPORATION, 4 CROSBY
DRIVE

(Street)

BEDFORD, MA 01730

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

DATAWATCH CORP [DWCH]

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

12/13/2018

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)

Chief Financial Officer

6. Individual or Joint/Group Filing(Check
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

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	12/13/2018		U		35,888	D <u>(1)</u>	77,334 <u>(2)</u> D
Common Stock	12/13/2018		D		59,834	D <u>(3)</u>	17,500 D
Common Stock	12/13/2018		D		17,500	D <u>(4)</u>	0 D

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

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information contained in this form are not
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SEC 1474
(9-02)

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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 Reported Transaction (Instr. 10)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Eliason James C/O DATAWATCH CORPORATION 4 CROSBY DRIVE BEDFORD, MA 01730	Chief Financial Officer

Signatures

/s/ Robert V. Jahrling as attorney-in-fact for Reporting Person 12/13/2018

__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).

- Pursuant to the terms of the Agreement and Plan of Merger (the "Merger Agreement"), dated as of November 5, 2018, by and among Datawatch Corporation, a Delaware corporation (the "Company"), Altair Engineering Inc., a Delaware corporation (the "Altair"), and Dallas Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Altair (the "Purchaser"), and the terms of the Tender and Support Agreement, dated as of November 5, 2018, by and among Altair, Purchaser and each stockholder of the Company listed on Annex I of the Tender and Support Agreement, the reporting person disposed of these shares of the Company's Common Stock in the tender offer launched by Purchaser for a cash payment equal to \$13.10 per share.
- (1) Amount no longer includes 5,000 performance-based RSUs awarded to Mr. Eliason on December 1, 2017, which did not vest.
- Pursuant to the terms of restricted stock unit ("RSU") grant agreements, the vesting of certain RSUs was accelerated in connection with the Merger and such RSUs became fully vested effective immediately prior to the effective time of the merger contemplated by the
- (3) Merger Agreement (the "Merger"). Pursuant to the terms of the Merger Agreement, each such vested RSU was cancelled in the Merger and, in lieu of any issuance of shares in settlement of such RSU, converted into the right to receive a cash payment equal to \$13.10 per share (without interest and less any applicable tax withholding).

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- (4) Pursuant to the terms of the Merger Agreement, unvested RSUs were cancelled at the effective time of the Merger and converted into a substitute right to receive a cash payment equal to \$13.10 per share (without interest and less any applicable tax withholding) to be paid by Altair only if such conditions to vesting of the RSUs are satisfied prior to the vesting date of the RSUs; provided that if the reporting person's employment is terminated by the surviving corporation of the Merger or its affiliates prior to the vesting date under conditions that would have accelerated the vesting of such RSUs had the RSUs remained outstanding, then such vesting shall be accelerated as of the date of the termination of the reporting person's employment.

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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