

PAID INC

Form 4

January 04, 2017

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

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Lewis William Austin IV

(Last) (First) (Middle)

C/O PAID, INC., 200 FRIBERG
PKWY, STE 4004

(Street)

WESTBOROUGH, MA 01581

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
PAID INC [PAYDD]

3. Date of Earliest Transaction
(Month/Day/Year)
12/30/2016

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

PRESIDENT AND CFO

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 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)
Common Stock	01/02/2017		A	77,121	A \$ 1.46	257,121 ⁽¹⁾	I By Lewis Asset Mgmt. Corp.
Preferred Stock	01/02/2017		A	536,346	A \$ 1.46	536,346 ⁽¹⁾	I By Lewis Asset Mgmt. Corp.

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

**Persons who respond to the collection of
information contained in this form are not**

SEC 1474
(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)

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 Underlying (Instr. 3 and 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Exchangeable Shares (Right to Convert to Common) ⁽²⁾	<u>(3)</u>	12/30/2016		A		77,121		12/30/2016	12/30/2021	Common Stock
Exchangeable Shares (Right to Convert to Preferred) ⁽²⁾	<u>(3)</u>	12/30/2016		A		536,346		12/30/2016	12/30/2021	Common Stock
Exchangeable Shares (Right to Convert to Common) ⁽²⁾	<u>(3)</u>	01/02/2017		D			77,121	12/30/2016	12/30/2021	Common Stock
Exchangeable Shares (Right to Convert to Preferred) ⁽²⁾	<u>(3)</u>	01/02/2017		D			536,346	12/30/2016	12/30/2021	Common Stock
Warrant (Right to Buy Exchgble Shares Convble into Common) ⁽²⁾	\$ 1.46	12/30/2016		A		34,425		12/30/2016	12/30/2021	Common Stock
Warrant (Right to Buy Exchgble Shares Convble into Common) ⁽²⁾	\$ 1.46	12/30/2016		A		239,412		12/30/2016	12/30/2021	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships
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Director 10% Owner Officer Other

Lewis William Austin IV
C/O PAID, INC.
200 FRIBERG PKWY, STE 4004
WESTBOROUGH, MA 01581

PRESIDENT
AND CFO

Signatures

/s/ W. Austin 01/04/2017
Lewis

__Signature of Date
Reporting Person

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) All numbers reflect a reverse split of 1:3000 followed by an immediate forward split of 300:1 effective on December 30, 2016.
Exchangeable shares are rights to PAID, Inc.'s common stock and preferred stock. These rights can be exercised by the conversion of the exchangeable shares into shares of common and preferred stock of PAID Inc. in accordance with an Exchange and Call Rights Agreement filed as Appendix I to its Consent Solicitation Statement on Form 14A of PAID Inc. filed on October, 7 2016. Mr. Lewis may exercise his exchangeable rights as specified in the Exchange and Call Rights Agreement. The Preferred stock of PAID, Inc. is non-voting.
- (2)
- (3) Merger consideration equal to a valuation at \$1.46 per share.

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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