

MILLHAM STEPHEN L  
 Form 4  
 August 10, 2009

**FORM 4**

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**FARALLON CAPITAL PARTNERS LP**

(Last) (First) (Middle)

C/O FARALLON CAPITAL MANAGEMENT, L.L.C., ONE MARITIME PLAZA, SUITE 2100

(Street)

SAN FRANCISCO, CA 94111

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**TOWN SPORTS INTERNATIONAL HOLDINGS INC [CLUB]**

3. Date of Earliest Transaction (Month/Day/Year)  
 08/06/2009

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)  
 Member of Group owning 10%

6. Individual or Joint/Group Filing(Check Applicable Line)

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 Ownership Indirect Beneficial Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock, par value \$0.001 per share |                                      |  |                                | (A)   | 1,396,011   | D (1) (2) (3)  |   |
| Common Stock, par value \$0.001 per       |                                      |  |                                | (A)   | 1,574,334   | D (1) (2) (4)  |   |

|   |            |   |        |   |              |           |                                    |
|---|------------|---|--------|---|--------------|-----------|------------------------------------|
| share   |            |   |        |   |              |           |                                    |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share |            |   |        |   |              | 1,021,256 | D <u>(1)</u> <u>(2)</u> <u>(5)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share |            |   |        |   |              | 2,500     | D <u>(1)</u> <u>(2)</u> <u>(6)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/06/2009 | S | 75     | D | \$<br>3.2815 | 2,358     | D <u>(1)</u> <u>(2)</u> <u>(7)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 | S | 135    | D | \$<br>3.3003 | 2,223     | D <u>(1)</u> <u>(2)</u> <u>(7)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 | S | 168    | D | \$<br>3.3063 | 2,055     | D <u>(1)</u> <u>(2)</u> <u>(7)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/06/2009 | S | 7,575  | D | \$<br>3.2815 | 239,653   | D <u>(1)</u> <u>(2)</u> <u>(8)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 | S | 13,726 | D | \$<br>3.3003 | 225,927   | D <u>(1)</u> <u>(2)</u> <u>(8)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 | S | 17,128 | D | \$<br>3.3063 | 208,799   | D <u>(1)</u> <u>(2)</u> <u>(8)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share |            |   |        |   |              | 65,981    | D <u>(1)</u> <u>(2)</u> <u>(9)</u> |

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|   |            |   |        |   |              |         |   |
|---|------------|---|--------|---|--------------|---------|---|
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share |            |   |        |   | 4,270,936    | I       | See<br>Footnotes<br><u>(1)</u> <u>(2)</u> <u>(10)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share |            |   |        |   | 4,270,936    | I       | See<br>Footnotes<br><u>(1)</u> <u>(2)</u> <u>(11)</u> |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/06/2009 | S | 13,874 | D | \$<br>3.2815 | 438,944 | D <u>(1)</u> <u>(2)</u><br><u>(12)</u> <u>(15)</u>    |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 | S | 25,141 | D | \$<br>3.3003 | 413,803 | D <u>(1)</u> <u>(2)</u><br><u>(12)</u> <u>(15)</u>    |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 | S | 31,372 | D | \$<br>3.3063 | 382,431 | D <u>(1)</u> <u>(2)</u><br><u>(12)</u> <u>(15)</u>    |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/06/2009 | S | 15,645 | D | \$<br>3.2815 | 495,014 | D <u>(1)</u> <u>(2)</u><br><u>(13)</u> <u>(15)</u>    |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 | S | 28,353 | D | \$<br>3.3003 | 466,661 | D <u>(1)</u> <u>(2)</u><br><u>(13)</u> <u>(15)</u>    |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 | S | 35,379 | D | \$<br>3.3063 | 431,282 | D <u>(1)</u> <u>(2)</u><br><u>(13)</u> <u>(15)</u>    |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/06/2009 | S | 731    | D | \$<br>3.2815 | 23,128  | D <u>(1)</u> <u>(2)</u><br><u>(14)</u> <u>(15)</u>    |
|   | 08/07/2009 | S | 1,325  | D |              | 21,803  |   |

|   |            |  |   |       |   |        |        |  |  |
|---|------------|--|---|-------|---|--------|--------|--|--|
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share |            |  |   |       |   | \$     |        |  | D <sup>(1)</sup> <sup>(2)</sup><br><u>(14)</u> <u>(15)</u> |
|   |            |  |   |       |   | 3.3003 |        |  |  |
| Common<br>Stock, par<br>value<br>\$0.001 per<br>share | 08/07/2009 |  | S | 1,653 | D | \$     | 20,150 |  | D <sup>(1)</sup> <sup>(2)</sup><br><u>(14)</u> <u>(15)</u> |
|   |            |  |   |       |   | 3.3063 |        |  |  |

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 required to respond unless the form displays a currently valid OMB control number.**

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<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code<br>(Instr. 8) | 5.<br>Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Nu<br>Deriv<br>Secur<br>Bene<br>Own<br>Follo<br>Repor<br>Trans<br>(Instr |
|---|--|---|---|---|---|--|---|---|---|
|   |  |   |   |   |   | Date<br>Exercisable  | Expiration<br>Date  | Title   | Amount<br>or<br>Number<br>of<br>Shares                                      |
|   |  |   |   | Code                                    | V (A) (D)   |  |   |   |   |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |                               |
|--|---------------|-------------------------------|
|  | Director      | 10%<br>Owner                  |
| FARALLON CAPITAL PARTNERS LP<br>C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X             | Member of Group owning<br>10% |
| FARALLON CAPITAL INSTITUTIONAL PARTNERS<br>L P<br>C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100          | X             | Member of Group Owning<br>10% |

|  |   |                               |
|--|---|-------------------------------|
| SAN FRANCISCO, CA 94111  |   |                               |
| FARALLON CAPITAL INSTITUTIONAL PARTNERS II LP  |   |                               |
| C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X | Member of Group Owning<br>10% |
| FARALLON CAPITAL INSTITUTIONAL PARTNERS III LP   |   |                               |
| C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X | Member of Group Owning<br>10% |
| DUHAMEL WILLIAM F  |   |                               |
| C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X | Member of Group Owning<br>10% |
| FRIED RICHARD B  |   |                               |
| C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X | Member of Group Owning<br>10% |
| Hirsch Daniel J.   |   |                               |
| C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X | Member of Group Owning<br>10% |
| LANDRY MONICA R  |   |                               |
| C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X | Member of Group Owning<br>10% |
| MacMahon Douglas M   |   |                               |
| C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X | Member of Group Owning<br>10% |
| MILLHAM STEPHEN L  |   |                               |
| C/O FARALLON CAPITAL MANAGEMENT, L.L.C.<br>ONE MARITIME PLAZA, SUITE 2100<br>SAN FRANCISCO, CA 94111 | X | Member of Group Owning<br>10% |

## Signatures

/s/ Monica R. Landry as attorney-in-fact and/or authorized signer for each of the reporting persons listed in footnotes (3) through (6). 08/10/2009

\_\_Signature of Reporting Person

Date

/s/ Monica R. Landry, on her own behalf and as attorney-in-fact and/or authorized signer for each of William F. Duhamel, Richard B. Fried, Daniel J. Hirsch, Douglas M. MacMahon and Stephen L. Millham. 08/10/2009

\_\_Signature of Reporting Person

Date

|                                 |            |
|---------------------------------|------------|
| .                               | 08/10/2009 |
| __Signature of Reporting Person | Date       |
| .                               | 08/10/2009 |
| __Signature of Reporting Person | Date       |
| .                               | 08/10/2009 |
| __Signature of Reporting Person | Date       |
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| __Signature of Reporting Person | Date       |
| .                               | 08/10/2009 |
| __Signature of Reporting Person | Date       |
| .                               | 08/10/2009 |
| __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) The entities and individuals identified in the footnotes of this Form 4 may be deemed members of a group holding equity securities of the Issuer. The filing of this Form 4 and any statements included herein shall not be deemed to be an admission that such entities and individuals are members of such group.
 

Since the number of reporting persons that may be listed on a Form 4 is limited, the entities and individuals listed in the footnotes of this Form 4 that are not reporting persons on this Form 4 are filing separate Forms 4 on the date hereof as reporting persons with respect to the securities described in this Form 4 (the "Parallel Forms 4"). Information regarding these entities and individuals is included on this Form 4 for purposes of clarification and convenience only, and is duplicative of the information reported in the Parallel Forms 4.
  - (2) The amount of securities shown in this row is owned directly by Farallon Capital Partners, L.P. ("FCP").
  - (4) The amount of securities shown in this row is owned directly by Farallon Capital Institutional Partners, L.P. ("FCIP").
  - (5) The amount of securities shown in this row is owned directly by Farallon Capital Institutional Partners II, L.P. ("FCIP II").
  - (6) The amount of securities shown in this row is owned directly by Farallon Capital Institutional Partners III, L.P. ("FCIP III").
  - (7) The amount of securities shown in this row is owned directly by Tincum Partners, L.P. ("Tincum").
  - (8) The amount of securities in this row is owned directly by RR Capital Partners, L.P. ("RR").
  - (9) The amount of securities in this row is owned directly by Farallon Capital Offshore Investors II, L.P. ("FCOI II").
  - (10) The amount of securities shown in this row is owned directly by FCP, FCIP, FCIP II, FCIP III, Tincum, RR and FCOI II (collectively, the "Partnerships"). As the general partner of each of the Partnerships, Farallon Partners, L.L.C. ("FPLLC") may be deemed to be the

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beneficial owner of the Issuer's securities held by each of the Partnerships. FPLLC disclaims any beneficial ownership of any of the Issuer's securities reported or noted herein for purposes of Section 16 of the Securities Exchange Act of 1934, as amended (the "Act"), or otherwise, except as to securities representing FPLLC's pro rata interest in, and interest in the profits of, the Partnerships.

The amount of securities shown in this row is owned directly by the Partnerships. Each of William F. Duhamel, Richard B. Fried, Daniel J. Hirsch, Monica R. Landry, Douglas M. MacMahon, Stephen L. Millham, Jason E. Moment, Ashish H. Pant, Rajiv A. Patel, Andrew J. M. Spokes, Richard H. Voon and Mark C. Wehrly (collectively, the "Managing Members") and Thomas F. Steyer (the "Senior

- (11) Managing Member"), as either a managing member or a senior managing member of FPLLC with the power to exercise investment discretion, may be deemed to be a beneficial owner of the Issuer's securities held by each of the Partnerships. Each of the Managing Members and the Senior Managing Member disclaims any beneficial ownership of any of the Issuer's securities reported or noted herein for purposes of Section 16 of the Act or otherwise, except to the extent of his or her pecuniary interest, if any.
- (12) The amount of securities shown in this row is owned directly by Farallon FCP, Ltd. (the "FCP Trust").
- (13) The amount of securities shown in this row is owned directly by Farallon FCIP, Ltd. (the "FCIP Trust").
- (14) The amount of securities shown in this row is owned directly by Farallon FCOI II, Ltd. (the "FCOI II Trust" and, together with the FCP Trust and the FCIP Trust, the "Farallon Trusts").
- (15) FPLLC is a trustee of each of the Farallon Trusts. FPLLC has no direct or indirect pecuniary interest in the securities held by the Farallon Trusts.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.