

Gallagher Daniel  
 Form 4  
 November 15, 2011

# 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 \*  
 Gallagher Daniel

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 11/15/2011

5 PENN PLAZA  
 (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

NEW YORK, NY 10001

(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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, par value \$0.001	11/15/2011		M <sup>(1)</sup>		25,000	A	\$ 2.44
					64,000		
						D	
Common Stock, par value \$0.001	11/15/2011		S <sup>(1)</sup>		25,000	D	\$ 7.57
					39,000		
						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)
Stock Option (right to buy)	\$ 2.44	11/15/2011		M <sup>(1)</sup>	25,000	12/04/2009 <sup>(2)</sup> 12/04/2018	Common Stock, par value \$0.001

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Gallagher Daniel 5 PENN PLAZA NEW YORK, NY 10001			Chief Financial Officer	

## Signatures

/s/ David Kestin,  
Attorney-in-Fact

11/15/2011

\*\*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 exercise of the option and sale of the underlying shares reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 31, 2011.

(2) These options were granted on December 4, 2008 and began to vest in four equal annual installments commencing on December 4, 2009, the first anniversary of the grant date.

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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