

MUSECH CARY
Form 4
December 12, 2005

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 *
MUSECH CARY

(Last) (First) (Middle)

TONKA BAY EQUITY
PARTNERS LLC, 301 CARLSON
PARKWAY, SUITE 325

(Street)

MINNETONKA, MN 55305

(City) (State) (Zip)

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

Health Fitness Corp /MN/ [HFIT]

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

11/14/2005

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)

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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)			
				Code V Amount (D) Price			

Common
Stock

20,000

I

By
Bayview
Capital
Partners
LP ⁽²⁾

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
required to respond unless the form
displays a currently valid OMB control
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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 Underlying (Instr. 3 and 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Warrant (Right to Buy)	\$ 0.5	11/14/2005		D		1,210,320		12/08/2003	12/08/2013	Common Stock
Director Stock Option (Right to Buy)	\$ 1.26							05/19/2004	05/19/2010	Common Stock
Director Stock Option (Right to Buy)	\$ 1.99							12/08/2004	12/08/2014	Common Stock
Series A Convertible Stock	<u>(3)</u>	11/14/2005		D		1,108,822		<u>(4)</u>	<u>(5)</u>	Common Stock
Warrant (Right to Buy)	\$ 2.7041	11/14/2005		A		31,298		11/14/2005	02/28/2011	Common Stock
Warrant (Right to Buy)	\$ 2.475	11/14/2005		A		27,865		11/14/2005	05/31/2011	Common Stock
Warrant (Right to Buy)	\$ 2.2428	11/14/2005		A		3,268		11/14/2005	09/12/2011	Common Stock
Director Stock	\$ 2.43	12/08/2005		A		15,000		12/08/2005	12/08/2011	Common Stock

Option
(Right to
Buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MUSECH CARY TONKA BAY EQUITY PARTNERS LLC 301 CARLSON PARKWAY, SUITE 325 MINNETONKA, MN 55305	X			
BAYVIEW CAPITAL PARTNERS LP TONKA BAY EQUITY PARTNERS LLC 301 CARLSON PARKWAY, SUITE 325 MINNETONKA, MN 55305	X			

Signatures

/s/ Cary Musech, individually, and on behalf of Bayview Capital Partners LP

12/09/2005

__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) The warrant and Series A Convertible Stock were cancelled in connection with the terms of the Issuer's recent Series B offering. The reporting person received an aggregate of \$5,114,382 as consideration for the cancellation of the warrant and Series A Stock.

Mr. Musech is the Managing Director of Bayview Capital Management LLC, the General Partner of Bayview Capital Partners LP. The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.
- (2) The Series A Convertible Preferred Stock was issued as a dividend and has a stated dividend rate of 6% per year, computed on a simple interest basis, paid in the form of additional shares of Series A Convertible Preferred Stock. Each share of Series A Convertible Preferred Stock may be converted at any time into two shares of common stock.
- (3) Exercisable immediately.
- (4) Series A Convertible Preferred Stock does not have an expiration 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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