

MCGRATH KEVIN N

Form 4

March 17, 2011

**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 \*  
MCGRATH KEVIN N

(Last) (First) (Middle)

C/O EDIETS.COM, INC., 1000  
CORPORATE DRIVE, SUITE 600

(Street)

FORT LAUDERDALE, FL 33334

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
EDIETS COM INC [DIET]

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/15/2011

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) CEO

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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Common<br>Stock                       |                                         |                                                             |                                      | (A)<br>or<br>(D)                                                           | 1,196,700 <sup>(1)</sup>                                                                                           | D                                                                    |                                                                   |

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  
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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

## Edgar Filing: MCGRATH KEVIN N - Form 4

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>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. Number of<br>Derivative<br>Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4, and<br>5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |     | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) |                    |                 |                            |
|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----|---------------------------------------------------------------------|--------------------|-----------------|----------------------------|
|                                                     |                                                                       |                                         |                                                             | Code                                    | V                                                                                                         | (A)                                                            | (D) | Date<br>Exercisable                                                 | Expiration<br>Date | Title           | Amount<br>Number<br>Shares |
| Stock<br>Options<br>(right to<br>buy)               | \$ 3.3                                                                |                                         |                                                             |                                         |                                                                                                           |                                                                |     | <u>(2)</u>                                                          | 12/30/2013         | Common<br>Stock | 450,000                    |
| Stock<br>Options<br>(right to<br>buy)               | \$ 0.9438                                                             |                                         |                                                             |                                         |                                                                                                           |                                                                |     | <u>(3)</u>                                                          | 06/24/2019         | Common<br>Stock | 25,000                     |
| Warrants                                            | \$ 1.2                                                                |                                         |                                                             |                                         |                                                                                                           |                                                                |     | 07/15/2009                                                          | 07/15/2019         | Common<br>Stock | 45,000                     |
| Warrants                                            | \$ 1.2                                                                |                                         |                                                             |                                         |                                                                                                           |                                                                |     | 09/11/2009                                                          | 09/11/2019         | Common<br>Stock | 212,260                    |
| Stock<br>Options<br>(right to<br>buy)               | \$ 1.53                                                               |                                         |                                                             |                                         |                                                                                                           |                                                                |     | <u>(4)</u>                                                          | 11/19/2019         | Common<br>Stock | 175,000                    |
| Stock<br>Options<br>(right to<br>buy)               | \$ 1                                                                  |                                         |                                                             |                                         |                                                                                                           |                                                                |     | <u>(5)</u>                                                          | 08/23/2020         | Common<br>Stock | 175,000                    |
| Stock<br>Options<br>(right to<br>buy)               | \$ 0.57                                                               | 03/15/2011                              |                                                             | A                                       |                                                                                                           | 250,000                                                        |     | <u>(6)</u>                                                          | 03/15/2021         | Common<br>Stock | 250,000                    |

## Reporting Owners

| Reporting Owner Name / Address                                                                          | Relationships |           |         |       |
|---------------------------------------------------------------------------------------------------------|---------------|-----------|---------|-------|
|                                                                                                         | Director      | 10% Owner | Officer | Other |
| MCGRATH KEVIN N<br>C/O EDIETS.COM, INC.<br>1000 CORPORATE DRIVE, SUITE 600<br>FORT LAUDERDALE, FL 33334 | X             |           | CEO     |       |

## Signatures

/s/ Kevin N.  
McGrath

03/17/2011

    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) Includes a 425,000 restricted stock unit award which the vesting schedule is subject to conditions and limitations to be established by the Company's Board of Directors and contained in the Shareholder's Employment Agreement executed on December 30, 2008.
- (2) Exercisable according to the following vesting schedule: 148,500 beginning on December 30, 2009; 148,500 beginning on December 30, 2010 and 153,000 beginning on December 30, 2011.
- (3) Exercisable according to the following vesting schedule: 8,250 beginning on June 24, 2010; 8,250 beginning on June 24, 2011 and 8,500 beginning on June 24, 2012.
- (4) Exercisable according to the following vesting schedule: 57,750 beginning on November 19, 2010; 57,750 beginning on November 19, 2011 and 59,500 beginning on November 19, 2012.
- (5) Exercisable according to the following vesting schedule: 57,750 beginning on August 23, 2011; 57,750 beginning on August 23, 2012 and 59,500 beginning on August 23, 2013.
- (6) Exercisable according to the following vesting schedule: 83,333 beginning on March 15, 2012; 83,333 beginning March 15, 2013 and 83,334 beginning on March 15, 2014.

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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