

NUTRI SYSTEM INC /DE/
Form SC 13D
December 31, 2018

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

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No.)***

NUTRISYSTEM, INC.

(Name of Issuer)

Common Stock, par value \$0.001 per share

(Title of Class of Securities)

67069D108

(CUSIP Number of Class of Securities)

Alec N. Litowitz

Magnetar Capital LLC

1603 Orrington Ave.

Evanston, Illinois 60201

(847) 905-4400

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

December 20, 2018

(Date of Event Which Requires Filing of this Statement)

Edgar Filing: NUTRI SYSTEM INC /DE/ - Form SC 13D

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. o

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 240.13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 67069D108

SCHEDULE 13D

- | | | |
|---|---|---------------------------------------|
| 1. | Name of Reporting Person:
Magnetar Financial LLC | |
| 2. | Check the Appropriate Box if a Member of a Group
(a) <input type="radio"/>
(b) <input checked="" type="radio"/> | |
| 3. | SEC Use Only | |
| 4. | Source of Funds
OO | |
| 5. | Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) <input type="radio"/> | |
| 6. | Citizenship or Place of Organization
Delaware | |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 7. | Sole Voting Power
0 |
| | 8. | Shared Voting Power
1,875,824 |
| | 9. | Sole Dispositive Power
0 |
| | 10. | Shared Dispositive Power
1,875,824 |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person
1,875,824 | |
| 12. | Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares <input type="radio"/> | |
| 13. | Percent of Class Represented by Amount in Row (11)
6.38% | |
| 14. | Type of Reporting Person
IA; OO | |

CUSIP No. 67069D108

SCHEDULE 13D

- | | |
|---|---|
| 1. | Name of Reporting Person:
Magnetar Capital Partners LP |
| 2. | Check the Appropriate Box if a Member of a Group
(a) <input type="radio"/>
(b) <input checked="" type="radio"/> |
| 3. | SEC Use Only |
| 4. | Source of Funds
OO |
| 5. | Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) <input type="radio"/> |
| 6. | Citizenship or Place of Organization
Delaware |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 7. Sole Voting Power
0 |
| | 8. Shared Voting Power
1,875,824 |
| | 9. Sole Dispositive Power
0 |
| | 10. Shared Dispositive Power
1,875,824 |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person
1,875,824 |
| 12. | Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares <input type="radio"/> |
| 13. | Percent of Class Represented by Amount in Row (11)
6.38% |
| 14. | Type of Reporting Person
HC; OO |

CUSIP No. 67069D108

SCHEDULE 13D

- | | |
|-----|---|
| 1. | Name of Reporting Person:
Supernova Management LLC |
| 2. | Check the Appropriate Box if a Member of a Group
(a) <input type="radio"/> o
(b) <input checked="" type="radio"/> x |
| 3. | SEC Use Only |
| 4. | Source of Funds
OO |
| 5. | Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) <input type="radio"/> o |
| 6. | Citizenship or Place of Organization
Delaware |
| | 7. Sole Voting Power
0 |
| | 8. Shared Voting Power
1,875,824 |
| | 9. Sole Dispositive Power
0 |
| | 10. Shared Dispositive Power
1,875,824 |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person
1,875,824 |
| 12. | Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares <input type="radio"/> o |
| 13. | Percent of Class Represented by Amount in Row (11)
6.38% |
| 14. | Type of Reporting Person
HC; OO |

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

CUSIP No. 67069D108

SCHEDULE 13D

- | | |
|-----|---|
| 1. | Name of Reporting Person:
Alec N. Litowitz |
| 2. | Check the Appropriate Box if a Member of a Group
(a) <input type="radio"/> o
(b) <input checked="" type="radio"/> x |
| 3. | SEC Use Only |
| 4. | Source of Funds
OO |
| 5. | Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) <input type="radio"/> o |
| 6. | Citizenship or Place of Organization
United States of America |
| | 7. Sole Voting Power
0 |
| | 8. Shared Voting Power
1,875,824 |
| | 9. Sole Dispositive Power
0 |
| | 10. Shared Dispositive Power
1,875,824 |
| 11. | Aggregate Amount Beneficially Owned by Each Reporting Person
1,875,824 |
| 12. | Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares <input type="radio"/> o |
| 13. | Percent of Class Represented by Amount in Row (11)
6.38% |
| 14. | Type of Reporting Person
HC; IN |

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

SCHEDULE 13D

Item 1. Security and Issuer

This Schedule 13D (this Statement) relates to the shares of common stock (the Shares), par value of \$0.001 per share, of Nutrisystem, Inc., a Delaware corporation (the Company). The principal executive offices of the Company are located at 600 Office Center Drive, Fort Washington, PA 19034.

Item 2. Identity and Background

(a) The persons filing this Statement are Magnetar Financial LLC, a Delaware limited liability company (Magnetar Financial), Magnetar Capital Partners LP, a Delaware limited partnership (Magnetar Capital Partners), Supernova Management LLC, a Delaware limited liability company (Supernova Management), and Alec N. Litowitz (Mr. Litowitz) (collectively, the Reporting Persons).

This Statement relates to Shares held for the accounts of each of (i) Magnetar Capital Master Fund, Ltd, a Cayman Islands exempted company (Magnetar Capital Master Fund), (ii) Magnetar PRA Master Fund Ltd, a Cayman Islands exempted company (PRA Master Fund), (iii) Magnetar Constellation Fund II-PRA LP, a Delaware limited partnership (Constellation Fund), (iv) Magnetar MSW Master Fund Ltd, a Cayman Islands exempted company (MSW Master Fund), (v) Magnetar Multi-Strategy Alternative Risk Premia Master Fund Ltd, a Cayman Islands exempted company, (Premia Master Fund) and (vi) an Irish Collective Asset-management Vehicle (the ICAV), collectively (the Funds).

Magnetar Financial is a Securities and Exchange Commission (SEC) registered investment adviser under Section 203 of the Investment Advisers Act of 1940, as amended, and manager of investment funds and managed accounts. Magnetar Financial serves as investment adviser to each of the Funds except for the ICAV for which it serves as the sub-adviser. In such capacity, Magnetar Financial exercises voting and investment power over the Shares held for the accounts of each of the Funds. Magnetar Capital Partners serves as the sole member and parent holding company of Magnetar Financial. Supernova Management is the general partner of Magnetar Capital Partners. The manager of Supernova Management is Mr. Litowitz.

(b) The business address of each of the Reporting Persons is 1603 Orrington Avenue, 13th Floor, Evanston, Illinois 60201.

(c) Each of the Funds except for the ICAV is a private investment fund; the ICAV is an account sub-advised for a client of Magnetar Financial; Magnetar Financial is a privately-held SEC registered investment adviser and manager of investment funds and managed accounts; Magnetar Capital Partners is a privately-held limited partnership and serves as the sole member and parent holding company of Magnetar Financial; Supernova Management is a privately-held limited liability company and is the general partner of Magnetar Capital Partners; and Mr. Litowitz is a citizen of the United States of America, manager of Supernova Management and Chief Executive

Officer of Magnetar Financial.

(d) None of the Reporting Persons has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons has, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such Reporting Person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Magnetar Financial is a Delaware limited liability company. Magnetar Capital Partners is a Delaware limited partnership. Supernova Management is a Delaware limited liability company. Mr. Litowitz is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration

The aggregate amount of funds used by the Reporting Persons in purchasing the 1,883,297 Shares, including 173 Shares to cover an existing short position on behalf of Premia Master Fund in a strategy unrelated to risk arbitrage, reported herein on behalf of the Funds have come directly from the assets of the Funds, which may at any given time, have included margin loans made by brokerage firms in the ordinary course of business. The aggregate amount of funds used by the Reporting Persons in purchasing the Shares on behalf of the Funds was \$82,834,908 (excluding commissions and other execution-related costs).

Item 4. Purpose of Transaction

The Reporting Persons acquired the 1,875,824 Shares reported herein on behalf of the Funds after the public announcement of the Merger Agreement (as defined below) for purposes of receiving the merger consideration described below upon consummation of the Merger (as described below). The Reporting Persons currently intend to vote the 1,875,824 Shares reported herein on behalf of the Funds in favor of the Merger.

Each of the Reporting Persons reserves the right to acquire additional securities of the Company in the open market, in privately negotiated transactions, or otherwise, to dispose of all or a portion of the Shares and/or other securities reported in this Statement, or to change their intention with respect to any or all of the matters referred to in this Item 4.

Other than as described above in this Item 4, the Reporting Persons do not have any plans or proposals that relate to, or would result in, any actions or events specified in clauses (a) through (j) of Item 4 to Schedule 13D.

Item 5. Interest in Securities of the Issuer

The Company reported in their Form 8-K filed on December 10, 2018 that 29,423,344 Shares were issued and outstanding as of December 3, 2018.

(a) As of December 30, 2018, each of the Reporting Persons may have been deemed to have beneficial ownership of 1,875,824 Shares, which consisted of (i) 98,614 Shares held for the benefit of Magnetar Capital Master Fund, (ii) 782,278 Shares held for the benefit of PRA Master Fund, (iii) 369,807 Shares held for the benefit of Constellation Fund; (iv) 50,749 Shares held for the benefit of MSW Master Fund; (v) 17,415 Shares held for the benefit of Premia Master Fund and (vi) 556,961 Shares held for the benefit of the ICAV, and all such Shares represented beneficial ownership of approximately 6.38 % of the Shares.

(b) As of December 30, 2018, each of the Reporting Persons may have been deemed to share the power to vote and direct the disposition of 1,875,824 Shares, which consisted of (i) 98,614 Shares held for the benefit of Magnetar Capital Master Fund, (ii) 782,278 Shares held for the benefit of PRA Master Fund, (iii) 369,807 Shares held for the benefit of Constellation Fund; (iv) 50,749 Shares held for the benefit of MSW Master Fund; (v) 17,415 Shares held for the benefit of Premia Master Fund and (vi) 556,961 Shares held for the benefit of the ICAV, and all such Shares represented beneficial ownership of approximately 6.38% of the Shares.

(c) Except as set forth on Schedule A attached hereto and Item 6, the Funds had no transactions in the Shares during the 60 days preceding the date of filing of this Statement. All of the transactions set forth on Schedule A attached hereto were effected in the ordinary course of business of Magnetar Financial for the accounts of each of the Funds. The transactions in the Shares set forth on Schedule A were effected in open market transactions on NASDAQ and various other trading markets.

As disclosed by the Company in the Form 8-K filed with the SEC on December 10, 2018:

On December 9, 2018, Tivity Health, Inc., a Delaware corporation ("Tivity Health"), entered into an Agreement and Plan of Merger (the "Merger Agreement") with Nutrisystem, Inc., a Delaware corporation ("Nutrisystem"), and Sweet Acquisition, Inc., a Delaware corporation and a wholly-owned subsidiary of Tivity Health ("Merger Sub"). The Merger Agreement provides, among other things, that, upon the terms and subject to the conditions set forth therein, Merger Sub will merge with and into Nutrisystem, with Nutrisystem surviving as a wholly-owned subsidiary of Tivity Health (the "Merger").

Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger (the "Effective Time"), each share of common stock, par value \$0.001 per share, of Nutrisystem ("Nutrisystem Shares") issued and outstanding immediately prior to the Effective Time (other than shares as to which dissenter's rights have been properly exercised and certain other excluded shares) will be converted into the right to receive (i) \$38.75 in cash, without interest (the "Cash Consideration"), and (ii) 0.2141 (the "Exchange Ratio") shares of common stock, par value \$0.001 per share, of Tivity Health ("Tivity Health Shares") (the "Merger Consideration"), with cash payable in lieu of fractional Tivity Health Shares.

(d) No other person is known by the Reporting Persons to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, any Shares that are beneficially owned by the Reporting Persons.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to the Securities of the Issuer

Pursuant to Rule 13d-1(k)(1) promulgated under the Securities Exchange Act of 1934, as amended, the Reporting Persons have entered into an agreement with respect to the joint filing of this Statement, and any amendment or amendments hereto.

A client of Magnetar Financial has entered into a total return swap agreement giving it economic exposure to the Company.

The 64 Shares described herein were sold short on behalf of Premia Master Fund in an another strategy unrelated to risk arbitrage and they were obtained from prime brokers pursuant to customary securities lending agreements.

Magnetar Asset Management LLC (Magnetar Asset Management) is a SEC registered investment adviser and an affiliate of Magnetar Financial. Magnetar Capital Partners serves as the sole member and parent holding company of Magnetar Asset Management. Certain clients of Magnetar Asset Management have entered into total return swap agreements giving them economic exposure to the Company.

Except as otherwise described herein, no contracts, arrangements, understandings or similar relationships exist with respect to the securities of the Company among or between the Reporting Persons or any other person or entity.

Item 7. Material to be Filed as Exhibits

Exhibit No.	Description
99.1	Joint Filing Agreement, dated as of December 31, 2018 among the Reporting Persons.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: December 31, 2018

MAGNETAR FINANCIAL LLC

By: Magnetar Capital Partners LP, its Sole Member

By:	/s/ Alec N. Litowitz	
	Name:	Alec N. Litowitz
	Title:	Manager of Supernova Management LLC, the General Partner of Magnetar Capital Partners LP

MAGNETAR CAPITAL PARTNERS LP

By:	/s/ Alec N. Litowitz	
	Name:	Alec N. Litowitz
	Title:	Manager of Supernova Management LLC, the General Partner of Magnetar Capital Partners LP

SUPERNOVA MANAGEMENT LLC

By:	/s/ Alec N. Litowitz	
	Name:	Alec N. Litowitz
	Title:	Manager

/s/ Alec N. Litowitz
Alec N. Litowitz

SCHEDULE A**Funds**

Date	Number of Shares Bought	Price Per Share(\$)(1)(2)
12/04/18	173	36.25832(3)
12/10/18	578,723	44.02444(4)
12/10/18	121,555	44.78737(5)
12/11/18	207,088	44.08261(6)
12/12/18	68,300	44.44232(7)
12/13/18	93,341	44.21714(8)
12/14/18	88,956	43.99631(9)
12/17/18	91,542	43.98181(10)
12/18/18	122,635	43.91519(11)
12/19/18	91,018	43.86440(12)
12/20/18	184,330	43.68072(13)
12/21/18	96,735	43.45680(14)
12/24/18	34,109	43.25768(15)
12/26/18	104,792	43.57246(16)

(1) Excludes commissions and other execution-related costs.

(2) Upon request by the staff of the Securities and Exchange Commission, full information regarding the number of shares bought or sold (as the case may be) at each separate price will be provided.

(3) Reflects a weighted average purchase price of \$36.25832 per share, at prices ranging from \$35.95 to \$36.61 per share.

(4) Reflects a weighted average purchase price of \$44.02444 per share, at prices ranging from \$43.61 to \$44.61 per share.

(5) Reflects a weighted average purchase price of \$44.78737 per share, at prices ranging from \$44.615 to \$45.10 per share.

(6) Reflects a weighted average purchase price of \$44.08261 per share, at prices ranging from \$43.61 to \$44.35 per share.

(7) Reflects a weighted average purchase price of \$44.44232 per share, at prices ranging from \$44.36 to \$44.53 per share.

(8) Reflects a weighted average purchase price of \$44.21714 per share, at prices ranging from \$44.04 to \$44.44 per share.

(9) Reflects a weighted average purchase price of \$43.99631 per share, at prices ranging from \$43.71 to \$44.28 per share.

(10) Reflects a weighted average purchase price of \$43.98181 per share, at prices ranging from \$43.71 to \$44.10 per share.

(11) Reflects a weighted average purchase price of \$43.91519 per share, at prices ranging from \$43.79 to \$44.08 per share.

(12) Reflects a weighted average purchase price of \$43.86440 per share, at prices ranging from \$43.61 to \$43.98 per share.

(13) Reflects a weighted average purchase price of \$43.68072 per share, at prices ranging from \$43.47 to \$43.88 per share.

(14) Reflects a weighted average purchase price of \$43.45680 per share, at prices ranging from \$43.17 to \$43.68 per share.

(15) Reflects a weighted average purchase price of \$43.25768 per share, at prices ranging from \$43.13 to \$43.36 per share.

(16) Reflects a weighted average purchase price of \$43.57246 per share, at prices ranging from \$43.17 to \$43.77 per share.

Funds

Date	Number of Shares (Sold)	Price Per Share(\$)(1)(2)
11/02/18	(58)	37.36828(3)
11/02/18	(6)	38.54
12/26/18	(2,500)	43.69343(4)
12/27/18	(2,300)	43.72463(5)
12/28/18	(2500)	43.86375(6)

(1) Excludes commissions and other execution-related costs.

(2) Upon request by the staff of the Securities and Exchange Commission, full information regarding the number of shares sold at each separate price will be provided.

(3) Reflects a weighted average sale price of \$37.36828 per share, at prices ranging from \$37.25 to \$37.68 per share.

(4) Reflects a weighted average sale price of \$43.69343 per share, at prices ranging from \$43.60 to \$43.76 per share.

(5) Reflects a weighted average sale price of \$43.72463 per share, at prices ranging from \$43.59 to \$43.91 per share.

(6) Reflects a weighted average sale price of \$43.86375 per share, at prices ranging from \$43.76 to \$43.99 per share.

EXHIBIT INDEX

Exhibit No.	Description
99.1	Joint Filing Agreement, dated as of December 31, 2018, among the Reporting Persons.