

MERGE HEALTHCARE INC  
Form 4  
March 18, 2013

**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 \*  
MERRICK VENTURE  
MANAGEMENT HOLDINGS, LLC

2. Issuer Name and Ticker or Trading Symbol  
MERGE HEALTHCARE INC  
[MRGE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
350 NORTH ORLEANS  
STREET., 10TH FLOOR

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/14/2013

Director  10% Owner  
 Officer (give title below)  Other (specify below)

(Street)  
CHICAGO, IL 60654

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

(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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
|                                 |                                      |  |                                | Code V Amount (A) or (D) Price                                    |   |  |  |
| Common Stock                    | 03/18/2013                           |  | D <sup>(1)</sup>               | 1,716,609 D \$ 2.7899   | 22,105,857  | D  |  |
| Common Stock                    | 03/18/2013                           |  | D <sup>(2)</sup>               | 189,566 D \$ 2.7899   | 0   | D  |  |
| Common Stock                    | 03/18/2013                           |  | D <sup>(3)</sup>               | 0 D \$ 0  | 27,631,298  | I  | See footnote (4) (5)                       |

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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**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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Put option (right to sell)                 | \$ 2.7899  | 03/14/2013                           |  | P <sup>(6)</sup>               | 1   | 03/14/2013 03/29/2013                                    | Common stock  | 1,906,175                     |
| Put option (right to sell)                 | \$ 2.7899  | 03/18/2013                           |  | C <sup>(6)</sup>               | 1   | 03/14/2013 03/29/2013                                    | Common stock  | 1,906,175                     |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| MERRICK VENTURE MANAGEMENT HOLDINGS, LLC<br>350 NORTH ORLEANS STREET,<br>10TH FLOOR<br>CHICAGO, IL 60654 | X             | X         |         |       |
| Merrick Venture Management, LLC<br>350 NORTH ORLEANS STREET<br>10TH FLOOR<br>CHICAGO, IL 60654           |               |           | X       |       |
| FERRO MICHAEL W JR<br>350 NORTH ORLEANS STREET, 10TH FLOOR<br>CHICAGO, IL 60654                          | X             | X         |         |       |

## Signatures

|  |            |
|--|------------|
| /s/ Michael W. Ferro, Jr. for MERRICK VENTURE MANAGEMENT HOLDINGS, LLC | 03/18/2013 |
| __Signature of Reporting Person  | Date       |
| <br>   |            |
| /s/ Michael W. Ferro, Jr. for MERRICK VENTURE MANAGEMENT, LLC          | 03/18/2013 |
| __Signature of Reporting Person  | Date       |
| <br>   |            |
| /s/ Michael W. Ferro, Jr.  | 03/18/2013 |
| __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).
- Merrick Venture Management Holdings, LLC ("Holdings") disposed of the common stock disclosed herein in connection with the
- (1) exercise of the derivative securities owned by its affiliate, Merrick Venture Management, LLC ("MVM") and disclosed on Table II of this Form 4, in settlement of a debt of MVM as described in footnote 5 below.
  - (2) MVM disposed of the common stock disclosed herein in connection with the exercise of the derivative securities owned by it and disclosed on Table II of this Form 4.
  - (3) As described in footnote 4 below, Mr. Ferro may be deemed to have beneficially owned the securities disposed of by Holdings and MVM in the transaction described above.
- Mr. Ferro may be deemed to beneficially own the securities disposed of by Holdings and MVM disclosed in this Form 4. Mr. Ferro is the Managing Member of Holdings, and he and trusts for the benefit of his family members own all of the equity interests in Holdings. As a result of the foregoing, Mr. Ferro indirectly controlled the securities disclosed herein that were owned by Holdings. Mr. Ferro disclaims
- (4) beneficial ownership of these securities except to the extent of his pecuniary interest therein. In addition, Mr. Ferro is the Chief Executive Officer and Managing Member of MVM, and he and trusts for the benefit of his family members own all of the equity interests in MVM. As a result of the foregoing, Mr. Ferro indirectly controls the securities disclosed herein that were owned by MVM. Mr. Ferro disclaims beneficial ownership of the securities owned by MVM and disclosed herein except to the extent of his pecuniary interest therein.
- Includes 4,925,441 shares of Merge common stock owned by Merrick Ventures, LLC. Mr. Ferro disclaims beneficial ownership of these
- (5) shares except to the extent of his pecuniary interest therein. Includes 600,000 options to purchase Merge common stock currently exercisable or exercisable within sixty (60) days of the date hereof.
  - (6) MVM obtained the right to deliver shares of common stock in settlement of the outstanding balance of a promissory note entered into by MVM in exchange for securities of a private company and the delivery of shares of common stock in settlement thereof.
  - (7) Directly owned by MVM and indirectly owned by Mr. Ferro. For an explanation of Mr. Ferro's indirect ownership of the derivative securities described herein, see footnote 4 above.

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.