

Nielsen James Leroy
 Form 4
 September 12, 2018

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 *
 Nielsen James Leroy

2. Issuer Name and Ticker or Trading Symbol
 Sprouts Farmers Market, Inc. [SFM]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 5455 EAST HIGH STREET, SUITE 111
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
 09/10/2018

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 President & COO

PHOENIX, AZ 85054
 (City) (State) (Zip)

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

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) |
|---|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock, par value \$0.001 per share | 09/10/2018 | | M | | 466,561 | A | \$ 20.98 |
| Common Stock, par value \$0.001 per share | 09/10/2018 | | S | | 466,561 | D | \$ 29.2551 |
| | | | | | | | 144,285 ⁽²⁾ |
| | | | | | | | ⁽¹⁾ |

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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option (right to buy) | \$ 20.98 | 09/10/2018 | | M | 466,561 | (3) 08/11/2022 | | Common stock, par value \$0.001 per share | 466,561 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------|-------|
| | Director | 10% Owner | Officer | Other |
| Nielsen James Leroy 5455 EAST HIGH STREET SUITE 111 PHOENIX, AZ 85054 | | | President & COO | |

Signatures

/s/ Brandon F. Lombardi, Attorney-in-Fact for James L. Nielsen 09/12/2018

__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 reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$29.00 to \$29.62 per share, inclusive. The reporting person undertakes to provide to the issuer, any security holder of the issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.

(2) Includes 30,106 shares of common stock, 78,238 restricted shares and 35,941 performance share awards. Each restricted share and performance share award represents the right to receive, upon vesting, one share of common stock. 53,353 restricted shares will vest annually over two years on March 3, 2019 and 2020, and 24,885 will vest over three years, with one-third vesting on March 5, 2019; one-third vesting on March 5, 2020; and the remaining one-third vesting on March 5, 2021. The performance shares will vest annually over two years on March 3, 2019 and 2020. All such vests assume continued employment through the applicable dates.

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(3) All such options are presently exercisable.

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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