

MURRAY JAMES E
Form 4
March 03, 2011

FORM 4

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

OMB APPROVAL

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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 *
MURRAY JAMES E

(Last) (First) (Middle)

HUMANA INC., 500 WEST MAIN STREET

(Street)

LOUISVILLE, KY 40202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
HUMANA INC [HUM]

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

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)

Chief Operating Officer

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Humana Common | | | | | 3,983 | I | See Footnote (1) |
| Humana Common | | | | | 103,185 | D | |
| Humana Common | 03/03/2011 | | M | | 13,686 | A | \$ 9.26 |
| Humana Common | 03/03/2011 | | M | | 110,000 | A | \$ 32.7 |
| Humana Common | 03/03/2011 | | M | | 66,652 | A | \$ 41.83 |
| Humana Common | 03/03/2011 | | M | | 116,871 | D | |
| Humana Common | 03/03/2011 | | M | | 226,871 | D | |
| Humana Common | 03/03/2011 | | M | | 293,523 | D | |

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| | | | | | | | | |
|---------------|------------|---|---------|---|-----------------------------|---------|---|-------------------------|
| Humana Common | 03/03/2011 | M | 19,041 | A | \$ 46.4 | 312,564 | D | |
| Humana Common | 03/03/2011 | S | 168,000 | D | \$ 63.9773 <u>(2)</u> | 144,564 | D | |
| Humana Common | | | | | | 1,356 | I | See Footnote <u>(3)</u> |
| Humana Common | | | | | | 24,060 | I | See Footnote <u>(4)</u> |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 Security (Instr. 3 and 4) | Amount of Underlying Security | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|-------------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount of Underlying Security |
| Options <u>(7)</u> | \$ 32.7 | 03/03/2011 | | M | 110,000 | <u>(8)</u> | 02/24/2012 | Humana Common | 110,000 |
| Options <u>(5)</u> | \$ 9.26 | 03/03/2011 | | M | 13,686 | 03/13/2006 <u>(6)</u> | 03/13/2013 | Humana Common | 13,686 |
| Options <u>(7)</u> | \$ 53.96 | | | | | <u>(9)</u> | 02/23/2013 | Humana Common | 84,000 |
| Options <u>(7)</u> | \$ 62.1 | | | | | <u>(10)</u> | 02/22/2014 | Humana Common | 67,000 |
| Options <u>(7)</u> | \$ 69.475 | | | | | <u>(11)</u> | 02/21/2015 | Humana Common | 70,000 |
| Options <u>(7)</u> | \$ 41.83 | 03/03/2011 | | M | 66,652 | <u>(12)</u> | 02/19/2016 | Humana Common | 66,652 |
| Options <u>(7)</u> | \$ 46.4 | 03/03/2011 | | M | 19,041 | <u>(13)</u> | 02/18/2017 | Humana Common | 19,041 |
| Options <u>(7)</u> | \$ 61.18 | | | | | <u>(14)</u> | 02/17/2018 | Humana Common | 39,000 |

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- (12) Reporting person was granted the maximum number of Incentive stock options allowed and remaining options were granted as Non-Qualified stock options. The option grant vests in three increments from 2/19/10 to 2/19/12.
- (13) Reporting person was granted the maximum number of Incentive stock options allowed and remaining options were granted as Non-Qualified stock options. The option grant vests in three increments from 2/18/11 to 2/18/13.
- (14) Reporting person was granted the maximum number of Incentive stock options allowed and remaining options were granted as Non-Qualified stock options. The option grant vests in three increments from 2/17/12 to 2/17/14.
- (15) Right to receive one share per restricted stock unit pursuant to the Company's 2003 Stock Incentive Plan.
- (16) Each restricted stock unit represents a contingent right to receive one share of Humana Inc. common stock, exempt under Rule 16b-3(d)(1) & (3).
- (17) Restricted stock units granted to reporting person on 2/17/11, 100% of the award is vesting on 2/17/14.
- (18) Phantom Stock Units held for the benefit of reporting person as of February 28, 2011 based on the value of Humana common stock on a 1-for-1 basis, under the Humana Excess Plan. All transactions are exempt under Rule 16b-3(c and d).

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