

CARDIONET INC  
Form 3  
March 18, 2008

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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)

<p>1. Name and Address of Reporting Person *</p> <p>Â MIDDLETON FRED A</p> <p>(Last) (First) (Middle)</p> <p>400 SOUTH EL CAMINO REAL,Â SUITE 1200</p> <p>(Street)</p> <p>SAN MATEO,Â CAÂ 94402</p> <p>(City) (State) (Zip)</p>	<p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>03/18/2008</p>	<p>3. Issuer Name <b>and</b> Ticker or Trading Symbol</p> <p>CARDIONET INC [BEAT]</p>	<p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p><input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below)</p>	<p>5. If Amendment, Date Original Filed(Month/Day/Year)</p>	<p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person</p>
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**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	4,695	I	See footnotes <u>(1)</u>
Common Stock	16,475	I	See footnotes <u>(2)</u>
Common Stock	16,510	I	See footnotes <u>(3)</u>
Common Stock	45,000	I	See footnotes <u>(4)</u>
Common Stock	42,319	I	See footnotes <u>(5)</u>

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

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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

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1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Stock Option (right to buy)	Â <u>(6)</u>	09/24/2017	Common Stock	7,500	\$ 7.2	D	Â
Stock Option (right to buy)	Â <u>(6)</u>	09/24/2017	Common Stock	15,000	\$ 7.2	D	Â
Series B Convertible Preferred Stock	Â <u>(7)</u>	Â <u>(7)</u>	Common Stock	97,819	\$ <u>(7)</u>	I	See footnotes <u>(1)</u>
Series B Convertible Preferred Stock	Â <u>(7)</u>	Â <u>(7)</u>	Common Stock	343,223	\$ <u>(7)</u>	I	See footnotes <u>(2)</u>
Series B Convertible Preferred Stock	Â <u>(7)</u>	Â <u>(7)</u>	Common Stock	343,957	\$ <u>(7)</u>	I	See footnotes <u>(3)</u>
Series B Convertible Preferred Stock	Â <u>(7)</u>	Â <u>(7)</u>	Common Stock	34,014	\$ <u>(7)</u>	I	See footnotes <u>(4)</u>
Series B Convertible Preferred Stock	Â <u>(7)</u>	Â <u>(7)</u>	Common Stock	881,655	\$ <u>(7)</u>	I	See footnotes <u>(5)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	9,370	\$ <u>(8)</u>	I	See footnotes <u>(1)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	655,261	\$ <u>(8)</u>	I	See footnotes <u>(9)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	32,877	\$ <u>(8)</u>	I	See footnotes <u>(2)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	32,948	\$ <u>(8)</u>	I	See footnotes <u>(3)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	351	\$ <u>(8)</u>	I	See footnotes <u>(4)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	53,721	\$ <u>(8)</u>	I	See footnotes <u>(10)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	223,839	\$ <u>(8)</u>	I	See footnotes <u>(11)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	60,374	\$ <u>(8)</u>	I	See footnotes <u>(12)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	327,596	\$ <u>(8)</u>	I	See footnotes <u>(13)</u>
Series C Convertible Preferred Stock	Â <u>(8)</u>	Â <u>(8)</u>	Common Stock	84,454	\$ <u>(8)</u>	I	See footnotes <u>(5)</u>

Series C Convertible Preferred Stock	Â (8)	Â (8)	Common Stock	369,209	\$ (8)	I	See footnotes (14)
Series C Convertible Preferred Stock	Â (8)	Â (8)	Common Stock	7,143	\$ (8)	I	See footnotes (15)
Series D Convertible Preferred Stock	Â (16)	Â (16)	Common Stock	11,281	\$ (16)	I	See footnotes (10)
Series D Convertible Preferred Stock	Â (16)	Â (16)	Common Stock	47,006	\$ (16)	I	See footnotes (11)
Series D Convertible Preferred Stock	Â (16)	Â (16)	Common Stock	12,679	\$ (16)	I	See footnotes (12)
Series D Convertible Preferred Stock	Â (16)	Â (16)	Common Stock	77,534	\$ (16)	I	See footnotes (14)
Series D Convertible Preferred Stock	Â (16)	Â (16)	Common Stock	1,500	\$ (16)	I	See footnotes (15)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MIDDLETON FRED A 400 SOUTH EL CAMINO REAL SUITE 1200 SAN MATEO, CA 94402	Â X	Â X	Â	Â

## Signatures

/s/ Fred A.  
Middleton

03/17/2008

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) By Sanderling [Feri Trust] Venture Partners IV, L.P. Fred Middleton, a member of the Issuer's board of directors is a general partner of Middleton-McNeil Investment Partners IV, L.P. the sole general partner of Sanderling [Feri Trust] Venture Partners IV, L.P. and has voting and investment power over the shares held by Sanderling [Feri Trust] Venture Partners IV, L.P. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (2) By Sanderling IV Biomedical, L.P. Fred Middleton, a member of the Issuer's board of directors is a managing director of Middleton, McNeil & Mills Associates IV, LLC the sole general partner of Sanderling IV Biomedical, L.P. and has voting and investment power over the shares held by Sanderling IV Biomedical, L.P. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (3) By Sanderling IV Limited Partnership. Fred Middleton, a member of the Issuer's board of directors is a general partner of Middleton-McNeil IV, L.P. the sole general partner of Sanderling IV Limited Partnership and has voting and investment power over the shares held by Sanderling IV Limited Partnership. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (4)

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- By Sanderling Ventures Management IV. Fred Middleton, a member of the Issuer's board of directors is an owner of Sanderling Ventures Management IV and has voting and investment power over the shares held by Sanderling Ventures Management IV. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (5) By Sanderling Venture Partners IV, L.P. Fred Middleton, a member of the Issuer's board of directors is a general partner of Middleton-McNeil Associates IV, L.P. the sole general partner of Sanderling Venture Partners IV, L.P. and has voting and investment power over the shares held by Sanderling Venture Partners IV, L.P. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (6) 33 1/3 % of the shares subject to the option shall vest on the first anniversary of the vesting start date of 9/24/07; 1/24th shall vest on each monthly anniversary thereafter. The options may be early exercised prior to vesting but any exercised and unvested shares are subject to a right of repurchase on behalf of the Issuer.
- (7) Series B Preferred Stock has no expiration date and is convertible at any time at the option of the holder and will automatically convert upon the closing of the Issuer's initial public offering, at a conversion ratio of one share of Common Stock for every two shares of Series B Preferred Stock, for no additional consideration.
- (8) Series C Preferred Stock has no expiration date and is convertible at any time at the option of the holder and will automatically convert upon the closing of the Issuer's initial public offering, at a conversion ratio of one share of Common Stock for every two shares of Series C Preferred Stock, for no additional consideration.
- (9) By Sanderling IV Biomedical Co-Investment Fund, L.P. Fred Middleton, a member of the Issuer's board of directors is a managing director of Middleton, McNeil & Mills Associates IV, LLC the sole general partner of Sanderling IV Biomedical Co-Investment Fund, L.P. and has voting and investment power over the shares held by Sanderling IV Biomedical Co-Investment Fund, L.P. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (10) By Sanderling V Beteiligungs GmbH & Co KG. Fred Middleton, a member of the Issuer's board of directors is a managing director of Middleton, McNeil & Mills Associates V, LLC the sole general partner of Sanderling V Beteiligungs GmbH & Co KG and has voting and investment power over the shares held by Sanderling V Beteiligungs GmbH & Co KG. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (11) By Sanderling V Biomedical Co-Investment Fund L.P. Fred Middleton, a member of the Issuer's board of directors is a managing director of Middleton, McNeil & Mills Associates V, LLC the sole general partner of Sanderling V Biomedical Co-Investment Fund L.P. and has voting and investment power over the shares held by Sanderling V Biomedical Co-Investment Fund L.P. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (12) By Sanderling V Limited Partnership. Fred Middleton, a member of the Issuer's board of directors is a managing director of Middleton, McNeil & Mills Associates V, LLC the sole general partner of Sanderling V Limited Partnership and has voting and investment power over the shares held by Sanderling V Limited Partnership. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (13) By Sanderling Venture Partners IV Co-Investment Fund, L.P. Fred Middleton, a member of the Issuer's board of directors is a managing director of Middleton, McNeil & Mills Associates IV, LLC the sole general partner of Sanderling Venture Partners IV Co-Investment Fund, L.P. and has voting and investment power over the shares held by Sanderling Venture Partners IV Co-Investment Fund, L.P. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (14) By Sanderling Venture Partners V Co-Investment Fund, L.P. Fred Middleton, a member of the Issuer's board of directors is a managing director of Middleton, McNeil & Mills Associates V, LLC the sole general partner of Sanderling Venture Partners V Co-Investment Fund, L.P. and has voting and investment power over the shares held by Sanderling Venture Partners V Co-Investment Fund, L.P. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (15) By Sanderling Ventures Management V. Fred Middleton, a member of the Issuer's board of directors is an owner of Sanderling Ventures Management V and has voting and investment power over the shares held by Sanderling Ventures Management V. Mr. Middleton disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (16) Series D Preferred Stock has no expiration date and is convertible at any time at the option of the holder and will automatically convert upon the closing of the Issuer's initial public offering, at a conversion ratio of one share of Common Stock for every two shares of Series D Preferred Stock, for no additional consideration.

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.