

PAID INC  
Form 4  
January 04, 2017

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
Lewis William Austin IV

(Last) (First) (Middle)

C/O PAID, INC., 200 FRIBERG  
PKWY, STE 4004

(Street)

WESTBOROUGH, MA 01581

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
PAID INC [PAYDD]

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/30/2016

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)

PRESIDENT AND CFO

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)	
Common Stock	01/02/2017		A	77,121	A \$ 1.46	257,121 <sup>(1)</sup>	I	By Lewis Asset Mgmt. Corp.
Preferred Stock	01/02/2017		A	536,346	A \$ 1.46	536,346 <sup>(1)</sup>	I	By Lewis Asset Mgmt. Corp.

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**

SEC 1474 (9-02)

required to respond unless the form displays a currently valid OMB control number.

**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 Underlying (Instr. 3 and 4)
					(A)	(D)	Date Exercisable	Expiration Date	
Exchangeable Shares (Right to Convert to Common) <sup>(2)</sup>	<sup>(3)</sup>	12/30/2016		A	77,121		12/30/2016	12/30/2021	Common Stock
Exchangeable Shares (Right to Convert to Preferred) <sup>(2)</sup>	<sup>(3)</sup>	12/30/2016		A	536,346		12/30/2016	12/30/2021	Common Stock
Exchangeable Shares (Right to Convert to Common) <sup>(2)</sup>	<sup>(3)</sup>	01/02/2017		D		77,121	12/30/2016	12/30/2021	Common Stock
Exchangeable Shares (Right to Convert to Preferred) <sup>(2)</sup>	<sup>(3)</sup>	01/02/2017		D		536,346	12/30/2016	12/30/2021	Common Stock
Warrant (Right to Buy Exchangeable Shares Convntble into Common) <sup>(2)</sup>	\$ 1.46	12/30/2016		A	34,425		12/30/2016	12/30/2021	Common Stock
Warrant (Right to Buy Exchangeable Shares Convntble into Common) <sup>(2)</sup>	\$ 1.46	12/30/2016		A	239,412		12/30/2016	12/30/2021	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships
Reporting Owners	

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Director      10% Owner      Officer      Other

Lewis William Austin IV  
C/O PAID, INC.  
200 FRIBERG PKWY, STE 4004  
WESTBOROUGH, MA 01581

PRESIDENT  
AND CFO

## Signatures

/s/ W. Austin      01/04/2017  
Lewis

\_\_Signature of      Date  
Reporting Person

## 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) All numbers reflect a reverse split of 1:3000 followed by an immediate forward split of 300:1 effective on December 30, 2016.  
Exchangeable shares are rights to PAID, Inc.'s common stock and preferred stock. These rights can be exercised by the conversion of the exchangeable shares into shares of common and preferred stock of PAID Inc. in accordance with an Exchange and Call Rights Agreement filed as Appendix I to its Consent Solicitation Statement on Form 14A of PAID Inc. filed on October, 7 2016. Mr. Lewis may exercise his exchangeable rights as specified in the Exchange and Call Rights Agreement. The Preferred stock of PAID, Inc. is non-voting.
- (2) Exchangeable shares are rights to PAID, Inc.'s common stock and preferred stock. These rights can be exercised by the conversion of the exchangeable shares into shares of common and preferred stock of PAID Inc. in accordance with an Exchange and Call Rights Agreement filed as Appendix I to its Consent Solicitation Statement on Form 14A of PAID Inc. filed on October, 7 2016. Mr. Lewis may exercise his exchangeable rights as specified in the Exchange and Call Rights Agreement. The Preferred stock of PAID, Inc. is non-voting.
- (3) Merger consideration equal to a valuation at \$1.46 per share.

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.