

LIFE TIME FITNESS INC
 Form 4
 May 13, 2008

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 *
 Akradi Bahram

(Last) (First) (Middle)
 2902 CORPORATE PLACE
 (Street)

CHANHASSEN, MN 55317

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 LIFE TIME FITNESS INC [LTM]

3. Date of Earliest Transaction
 (Month/Day/Year)
 05/09/2008

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)
 Chairman and CEO

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 or Price		
Common Stock	05/12/2008		M		37,500 A \$ 25.47	4,324,660	D
Common Stock	05/12/2008		P		200 A \$ 36.325	4,324,860	D
Common Stock	05/12/2008		P		200 A \$ 36.32	4,325,060	D
Common Stock	05/12/2008		P		500 A \$ 36.35	4,325,560	D
Common Stock	05/12/2008		P		900 A \$ 36	4,326,460	D

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Common Stock	05/12/2008	P	1,300	A	\$ 36.168	4,327,760	D
Common Stock	05/12/2008	P	1,200	A	\$ 36.177	4,328,960	D
Common Stock	05/13/2008	P	756	A	\$ 36.01	4,329,716	D
Common Stock	05/13/2008	P	100	A	\$ 36.02	4,329,816	D
Common Stock	05/13/2008	P	300	A	\$ 36.03	4,330,116	D
Common Stock	05/13/2008	P	6,344	A	\$ 36.05	4,336,460	D

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)	
					V	(A) (D)	Date Exercisable	Expiration Date		
Prepaid Forward Contract (obligation to sell)	<u>(1)</u> <u>(2)</u>	05/09/2008		J/K ⁽³⁾		139,397	<u>(1)</u> <u>(2)</u>	<u>(1)</u> <u>(2)</u>	Common Stock	139,397
Prepaid Forward Contract (obligation to sell)	<u>(1)</u> <u>(2)</u>	05/12/2008		J/K ⁽³⁾		156,603	<u>(1)</u> <u>(2)</u>	<u>(1)</u> <u>(2)</u>	Common Stock	156,603
Stock Option (right to buy)	\$ 25.47	05/12/2008		M		37,500	<u>(4)</u>	03/01/2015	Common Stock	37,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Akradi Bahram 2902 CORPORATE PLACE CHANHASSEN, MN 55317	X	X	Chairman and CEO	

Signatures

/s/ Amy C. Seidel on behalf of Bahram
Akradi

05/13/2008

__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).

Previously, on December 2, 2005, the reporting person entered into a prepaid forward contract with an unrelated third party (the Buyer) involving up to 296,000 shares of Common Stock of the Company. Under the contract, the reporting person received a prepayment of \$11,538,080 representing 100% of the price of \$38.98 per share and undertook an obligation to deliver up to 296,000 shares of Common

- (1) Stock, or the cash equivalent, to Buyer on December 2, 2012 (the Settlement Date). The reporting person pledged 296,000 shares of Common Stock to secure his obligations under the contract. The number of shares of Common Stock which the reporting person would have been required to deliver on the Settlement Date was as follows (the capitalized terms are defined as set forth below): (See next footnote.)

(Continued from previous footnote) (i) if the Settlement Price was less than the Floor Price, the reporting person would have delivered all 296,000 shares of Common Stock to the Buyer, (ii) if the Settlement Price was greater than the Floor Price, but less than the Cap Price, the reporting person would have delivered a number of shares of Common Stock equal to (a) 296,000, multiplied by (b) a fraction equal to (x) the Floor Price divided by (y) the Settlement Price, and (iii) if the Settlement Price was greater than the Cap Price, the reporting person would have delivered a number of shares of Common Stock equal to (a) 296,000 multiplied by (b) a fraction equal to (x) the Floor Price plus (the Settlement Price minus the Cap Price), divided by (y) the Settlement Price. Settlement Price = the closing price of the Common Stock on the Settlement Date Floor Price = \$38.98 Cap Price = \$58.47

- (3) On May 9, 2008, the reporting person elected to cancel the prepaid forward contract with respect to 139,397 shares. In connection with the cancellation, the reporting person paid an aggregate of \$5,210,052 to the Buyer. On May 12, 2008, the reporting person elected to cancel the prepaid forward contract with respect to the remaining 156,603 shares. In connection with the cancellation, the reporting person paid an aggregate of \$6,045,858 to the Buyer. Following the payments and cancellations described above, the 296,000 shares held by the reporting person that were previously subject to the prepaid forward contract are no longer pledged to the Buyer. Accordingly, this cancellation transaction is deemed a purchase of the underlying shares for purposes of Section 16(b).
- (4) Immediately.
- (5) Not applicable.

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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