

MERGE HEALTHCARE INC

Form 4

November 24, 2008

**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 \*  
Merrick RIS, LLC

2. Issuer Name and Ticker or Trading Symbol  
MERGE HEALTHCARE INC  
[MRGE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
11/20/2008

Director  10% Owner  
 Officer (give title below)  Other (specify below)

233 NORTH MICHIGAN AVENUE, SUITE 2330

(Street)

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

CHICAGO, IL 60601

(City) (State) (Zip)

**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                    | 11/20/2008                           |  | P                              |   | 2,100 A \$ 0.6  | 27,055,737   | D                                 |
| Common Stock                    | 11/20/2008                           |  | P                              |   | 1,000 A \$ 0.63   | 27,056,737   | D                                 |
| Common Stock                    | 11/20/2008                           |  | P                              |   | 300 A \$ 0.65   | 27,057,037   | D                                 |
| Common Stock                    | 11/20/2008                           |  | P                              |   | 3,300 A \$ 0.68   | 27,060,337   | D                                 |
| Common Stock                    | 11/20/2008                           |  | P                              |   | 1,700 A \$ 0.7  | 27,062,037   | D                                 |

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|              |            |   |        |   |         |            |   |
|--------------|------------|---|--------|---|---------|------------|---|
| Common Stock | 11/20/2008 | P | 100    | A | \$ 0.74 | 27,062,137 | D |
| Common Stock | 11/20/2008 | P | 200    | A | \$ 0.75 | 27,062,337 | D |
| Common Stock | 11/20/2008 | P | 1,300  | A | \$ 0.76 | 27,063,637 | D |
| Common Stock | 11/21/2008 | P | 1,000  | A | \$ 0.5  | 27,064,637 | D |
| Common Stock | 11/21/2008 | P | 100    | A | \$ 0.51 | 27,064,737 | D |
| Common Stock | 11/21/2008 | P | 100    | A | \$ 0.59 | 27,064,837 | D |
| Common Stock | 11/21/2008 | P | 3,700  | A | \$ 0.6  | 27,068,537 | D |
| Common Stock | 11/24/2008 | P | 17,100 | A | \$ 0.69 | 27,085,637 | D |

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

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SEC 1474  
(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  |
| Stock Options                              | \$ 0.57  | 11/20/2008                           |  | A                              | 400,000   | 11/20/2008 <sup>(1)</sup>                                | 11/19/2018  | Common Stock | 400,000 |

## Reporting Owners

| Reporting Owner Name / Address                              | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| Merrick RIS, LLC<br>233 NORTH MICHIGAN AVENUE<br>SUITE 2330 | X             | X         |         |       |

CHICAGO, IL 60601

FERRO MICHAEL W JR

233 NORTH MICHIGAN AVENUE,

SUITE 2330

CHICAGO, IL 60601

X

X

## Signatures

Julie Ann B. Schumitsch, by Power of Attorney for Merrick RIS,  
LLC

11/24/2008

\_\_Signature of Reporting Person

Date

Julie Ann B. Schumitsch, by Power of Attorney for Michael W.  
Ferro, Jr.

11/24/2008

\_\_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).
  - (1) Nonqualified stock options to purchase shares of Common Stock vesting in sixteen (16) equal quarterly increments of 25,000, with the first increment vesting on November 20, 2008 and then subsequent increments vesting on February 28, May 31, August 31 and November 30 thereafter.
  - (2) Nonqualified stock options to purchase shares of Common Stock granted to Michael W. Ferro, Jr., Chairman of the Board, in lieu of cash compensation in accordance with Merge's Director Compensation Plan.

### Remarks:

The reporting persons are Merrick RIS, LLC ("Merrick"), a Delaware limited liability company, and Michael W. Ferro, Jr. ("M

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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