

ITC Holdings Corp.
Form 4
October 18, 2016

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 *
Jipping Jon E

(Last) (First) (Middle)
27175 ENERGY WAY
(Street)

NOVI, MI 48377

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ITC Holdings Corp. [ITC]

3. Date of Earliest Transaction
(Month/Day/Year)
10/14/2016

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)
EVP & 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock Without Par Value | 10/14/2016 | | D | | 83,670 | D | <u>(1)</u> 32,057 |
| Common Stock Without Par Value | 10/14/2016 | | D | | 32,057 | D | \$ 45.72 <u>(2)</u> 0 |
| Common Stock Without Par Value | 10/14/2016 | | A | | 13,687.6822 | A | \$ 0 <u>(3)</u> 13,687.6822 |

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| | | | | | | | |
|---|------------|---|-------------|---|-------------|---|---|
| Common Stock Without Par Value | 10/14/2016 | D | 13,687.6822 | D | \$ 45.72 | 0 | D |
| | | | | | <u>(3)</u> | | |

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

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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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount Number Shares |
| Employee Stock Option (Right to Buy) | \$ 13.79 | 10/14/2016 | | D | 91,680 | <u>(4)</u> 05/19/2019 | Common Stock Without Par Value 91,680 |
| Employee Stock Option (Right to Buy) | \$ 17.49 | 10/14/2016 | | D | 81,717 | <u>(4)</u> 05/18/2020 | Common Stock Without Par Value 81,717 |
| Employee Stock Option (Right to Buy) | \$ 24.05 | 10/14/2016 | | D | 70,935 | <u>(4)</u> 05/25/2021 | Common Stock Without Par Value 70,935 |
| Employee Stock Option (Right to Buy) | \$ 23.5867 | 10/14/2016 | | D | 112,086 | <u>(4)</u> 05/22/2022 | Common Stock Without Par Value 112,086 |
| Employee Stock Option (Right to Buy) | \$ 36.73 | 10/14/2016 | | D | 66,988 | <u>(6)</u> 05/20/2024 | Common Stock Without Par Value 66,988 |

| | | | | | | | | |
|--------------------------------------|----------|------------|---|--------|-----|------------|--------------------------------|--------|
| Employee Stock Option (Right to Buy) | \$ 35.91 | 10/14/2016 | D | 46,237 | (7) | 05/19/2025 | Common Stock Without Par Value | 46,237 |
| Employee Stock Option (Right to Buy) | \$ 29.31 | 10/14/2016 | D | 86,640 | (8) | 05/14/2023 | Common Stock Without Par Value | 86,640 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Jipping Jon E 27175 ENERGY WAY NOVI, MI 48377 | | | EVP & Chief Operating Officer | |

Signatures

Jon E Jipping 10/18/2016
 __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) Pursuant to the Agreement and Plan of Merger among FortisUS Inc., Element Acquisition Sub Inc., Fortis Inc., and ITC Holdings Corp., dated as of February 9, 2016 (the "Merger Agreement"), at the effective time of the merger (the "Effective Time"), each outstanding share converted into the right to receive US\$22.57 plus .7520 of a share of Fortis Inc. stock, which fractional share had a market value of US\$29.84 at the Effective Time.
 - (2) Reporting Person held unvested restricted shares granted in 2014, 2015 and 2016 with time-based performance criteria. Pursuant to the Merger Agreement, these shares became vested at the Effective Time and converted into the right to receive cash.
 - (3) Reporting Person held performance shares granted in 2015 that, along with related dividend equivalents, would vest based on the satisfaction of certain performance criteria. Pursuant to the Merger Agreement, these shares became vested at the Effective Time and converted into the right to receive cash.
 - (4) These stock options become exercisable in three equal installments beginning on the first anniversary of the grant date so long as the recipient remains an employee.
 - (5) Option was cancelled at the Effective Time pursuant to the Merger Agreement in exchange for the right to receive cash.
 - (6) These stock options become exercisable in three equal installments beginning on the first anniversary of the grant date so long as the recipient remains an employee.
 - (7) These stock options were granted on May 19, 2015 and become exercisable in three equal installments beginning on the first anniversary of the grant date so long as the recipient remains an employee.
 - (8) These stock options were granted on May 20, 2014 and become exercisable in three equal installments beginning on the first anniversary of the grant date so long as the recipient remains an employee.

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.