

Benefitfocus, Inc.  
Form 4  
July 24, 2014

**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 \*  
GOLDMAN SACHS GROUP INC

2. Issuer Name and Ticker or Trading Symbol  
Benefitfocus, Inc. [BNFT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
200 WEST STREET  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
07/22-04:00/2014

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

NEW YORK, NY 10282

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

(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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Common Stock                    | 07/22-04:00/2014                     |  | S                              |   | 2,854,560<br>(2)  | D  | \$ 36.671   |
|                                 |                                      |  |                                |   | 8,526,041<br>(4) (5)  | I  |   |

See footnotes (1) (2) (3) (4) (5) (6)

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.**

SEC 1474 (9-02)

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

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| 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) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares                         |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| GOLDMAN SACHS GROUP INC<br>200 WEST STREET<br>NEW YORK, NY 10282                    |               |           |         |       |
| GOLDMAN SACHS & CO<br>200 WEST STREET<br>NEW YORK, NY 10282                         |               |           |         |       |
| GOLDMAN, SACHS MANAGEMENT GP GMBH<br>200 WEST STREET<br>NEW YORK, NY 10282          |               |           |         |       |
| GS Capital Partners VI GmbH & Co KG<br>200 WEST STREET<br>NEW YORK, NY 10282        |               |           |         |       |
| GS Capital Partners VI Parallel LP<br>200 WEST STREET<br>NEW YORK, NY 10282         |               |           |         |       |
| GSCP VI Offshore Advisors, L.L.C.<br>200 WEST STREET<br>NEW YORK, NY 10282          |               |           |         |       |
| GS Capital Partners VI Offshore Fund, L.P.<br>200 WEST STREET<br>NEW YORK, NY 10282 |               |           |         |       |
| GSCP VI Advisors, L.L.C.<br>200 WEST STREET<br>NEW YORK, NY 10282                   |               |           |         |       |
| GS Capital Partners VI Fund, L.P.<br>200 WEST STREET                                |               |           |         |       |

NEW YORK, NY 10282  
 GS Advisors VI, L.L.C.  
 200 WEST STREET  
 NEW YORK, NY 10282

## Signatures

/s/ Kevin P. Treanor,  
 Attorney-in-fact 07/24-04:00/2014

\_\_Signature of Reporting Person Date

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## 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) This statement is being filed by The Goldman Sachs Group, Inc. ("GS Group"), Goldman, Sachs & Co. ("Goldman Sachs"), GS Capital Partners VI Parallel, L.P. ("GS Parallel"), GS Capital Partners VI Offshore Fund, L.P. ("GS Offshore"), GS Capital Partners VI Fund, L.P. ("GS Cap Partners VI"), GS Capital Partners VI GmbH & CO. KG ("GS Germany" and, together with GS Parallel, GS Offshore and GS Cap Partners VI, the "Limited Partnerships"), GS Advisors VI, L.L.C. ("GS Advisors VI"), Goldman, Sachs Management GP GmbH

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("GS GmbH"), GSCP VI Advisors, L.L.C. ("GSCP VI Advisors") and GSCP VI Offshore Advisors, L.L.C. ("GSCP VI Offshore Advisors" and, together with GS Group, Goldman Sachs, the Limited Partnerships, GS Advisors VI, GS GmbH and GSCP VI Advisors, the "Reporting Persons").

(2) Pursuant to an underwriting agreement, dated July 16, 2014 (the "Underwriting Agreement"), and in connection with the registered public offering of shares of Common Stock, par value \$0.001 per share (the "Common Stock"), of Benefitfocus, Inc., pursuant to the final prospectus dated July 16, 2014, which offering was consummated on July 22, 2014, the Limited Partnerships sold an aggregate of 2,500,00 shares of Common Stock, with (i) GS Parallel selling 320,899 shares of Common Stock, (ii) GS Offshore selling 970,650 shares of Common Stock, (iii) GS Cap Partners VI selling 1,166,977 shares of Common Stock, and (iv) GS Germany selling 41,474 shares of Common Stock.

(3) On July 18, 2014, the underwriters exercised their option under the Underwriting Agreement to purchase additional shares of Common Stock from the Limited Partnerships. Pursuant to such option to purchase additional shares of Common Stock, the Limited Partnerships sold an aggregate of 354,560 additional shares of Common Stock, with (i) GS Parallel selling 45,511 additional shares of Common Stock, (ii) GS Offshore selling 137,662 additional shares of Common Stock, (iii) GS Cap Partners VI selling 165,505 additional shares of Common Stock, and (iv) GS Germany selling 5,882 additional shares of Common Stock.

(4) Goldman Sachs and GS Group may be deemed to beneficially own indirectly, in the aggregate, the 8,526,041 shares of Common Stock beneficially owned directly by the Limited Partnerships because affiliates of Goldman Sachs and GS Group are the general partner, managing limited partner, managing general partner, managing partner, managing member or member of each of the Limited Partnerships. Goldman Sachs is a wholly-owned subsidiary of GS Group. Goldman Sachs is the investment manager of certain of the Limited Partnerships. Goldman Sachs also had an open short position of 360 shares of Common Stock, reflecting a change due to an exempt transaction.

(5) GS Parallel beneficially owns directly 1,094,398 shares of Common Stock, which may be deemed to be beneficially owned indirectly by GS Parallel's general partner, GS Advisors VI. GS Offshore beneficially owns directly 3,310,322 shares of Common Stock, which may be deemed to be beneficially owned indirectly by GS Offshore's general partner, GSCP VI Offshore Advisors. GS Cap Partners VI beneficially owns directly 3,979,876 shares of Common Stock, which may be deemed to be beneficially owned indirectly by GS Cap Partners VI's general partner, GSCP VI Advisors. GS Germany beneficially owns directly 141,445 shares of Common Stock, which may be deemed to be beneficially owned indirectly by GS Germany's general partner, GS GmbH.

(6) The Reporting Persons disclaim beneficial ownership of the securities reported herein except to the extent of their pecuniary interest therein, if any, and this report shall not be deemed an admission that any such Reporting Person is the beneficial owner of, or has any pecuniary interest in, such securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

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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