

NEIMAN MARCUS GROUP INC
Form 4
October 11, 2005

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
KATZ KAREN

2. Issuer Name and Ticker or Trading Symbol
NEIMAN MARCUS GROUP INC [NMGA]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
Pres.&COO,Neiman Marcus Stores

(Last) (First) (Middle)

THE NEIMAN MARCUS GROUP, INC., 1618 MAIN STREET

3. Date of Earliest Transaction (Month/Day/Year)
10/06/2005

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

DALLAS, TX 75201

(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 | (A) or (D) | Price |
| Common Stock, Class A | 10/06/2005 | 10/06/2005 | D | 98,628 | D | 100 | 0 | \$ <u>(1)</u> |
| Common Stock, Class A | 10/06/2005 | 10/06/2005 | D | 11,645 | D | 100 | 0 | \$ <u>(2)</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

SEC 1474 (9-02)

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 Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 32.9375 | 10/06/2005 | 10/06/2005 | D | 4,500 | 09/09/1998 ⁽³⁾ | 09/09/2007 | Class A Common Stock | 4,500 |
| Employee Stock Option (right to buy) | \$ 25.9375 | 10/06/2005 | 10/06/2005 | D | 7,000 | 05/15/2001 ⁽⁴⁾ | 05/15/2010 | Class A Common Stock | 7,000 |
| Employee Stock Option (right to buy) | \$ 35.625 | 10/06/2005 | 10/06/2005 | D | 45,000 | 09/22/2001 ⁽⁵⁾ | 09/22/2010 | Class A Common Stock | 45,000 |
| Employee Stock Option (right to buy) | \$ 24.5 | 10/06/2005 | 10/06/2005 | D | 10,000 | 09/21/2002 ⁽⁶⁾ | 09/21/2011 | Class A Common Stock | 10,000 |
| Employee Stock Option (right to buy) | \$ 30.97 | 10/06/2005 | 10/06/2005 | D | 45,000 | 09/20/2005 ⁽⁷⁾ | 09/20/2008 | Class A Common Stock | 45,000 |
| Employee Stock Option (right to buy) | \$ 43.05 | 10/06/2005 | 10/06/2005 | D | 35,000 | 09/19/2006 ⁽⁸⁾ | 09/19/2009 | Class A Common Stock | 35,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|--------------------------------|
| | Director | 10% Owner | Officer | Other |
| KATZ KAREN THE NEIMAN MARCUS GROUP, INC. 1618 MAIN STREET DALLAS, TX 75201 | | | | Pres.&COO,Neiman Marcus Stores |

Signatures

Karen Katz 10/11/2005

__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) The Class A Common Stock reported herein represents shares issued to the reporting person as restricted, purchased restricted stock, restricted units or purchased restricted stock units pursuant to certain of The Neiman Marcus Group's incentive plans that were disposed of pursuant to the merger agreement among The Neiman Marcus Group, Inc., Newton Acquisition, Inc. and Newton Acquisition Merger Sub, Inc. in exchange for a cash payment of \$100.00 per share or unit, as applicable.
 - (2) The Class A Common Stock reported herein represents shares disposed of pursuant to the merger agreement among The Neiman Marcus Group, Inc., Newton Acquisition, Inc. and Newton Acquisition Merger Sub, Inc. in exchange for a cash payment of \$100.00 per share.

This option, which provided for vesting in five annual installments beginning 9-9-1997, was cancelled in connection with the merger with
 - (3) Newton Acquisition Merger Sub, Inc. in exchange for a cash payment of \$301,781.25, representing the difference between the exercise price of the option and the per share merger consideration payable in connection with the merger, i.e. \$100.00 per share.

This option, which provided for vesting in five annual installments beginning 5-15-2001, was cancelled in connection with the merger
 - (4) with Newton Acquisition Merger Sub, Inc. in exchange for a cash payment of \$518,437.50, representing the difference between the exercise price of the option and the per share merger consideration payable in connection with the merger, i.e. \$100.00 per share.

This option, which provided for vesting in five annual installments beginning 9-22-2001, was cancelled in connection with the merger
 - (5) with Newton Acquisition Merger Sub, Inc. in exchange for a cash payment of \$2,896,875, representing the difference between the exercise price of the option and the per share merger consideration payable in connection with the merger, i.e. \$100.00 per share.

This option, which provided for vesting in five annual installments beginning 9-21-2002, was cancelled in connection with the merger
 - (6) with Newton Acquisition Merger Sub, Inc. in exchange for a cash payment of \$755,000, representing the difference between the exercise price of the option and the per share merger consideration payable in connection with the merger, i.e. \$100.00 per share.

This option, which provided for vesting beginning 9-20-2005, was cancelled in connection with the merger with Newton Acquisition
 - (7) Merger Sub, Inc. in exchange for a cash payment of \$3,106,350, representing the difference between the exercise price of the option and the per share merger consideration payable in connection with the merger, i.e. \$100.00 per share.

This option, which provided for vesting beginning 9-19-2006, was cancelled in connection with the merger with Newton Acquisition
 - (8) Merger Sub, Inc. in exchange for a cash payment of \$1,993,250, representing the difference between the exercise price of the option and the per share merger consideration payable in connection with the merger, i.e. \$100.00 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.