

Health Fitness Corp /MN/
Form 4
April 21, 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

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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 *
MUSECH CARY

(Last) (First) (Middle)

TONKA BAY EQUITY PARTNERS LLC, 301 CARLSON PARKWAY, SUITE 325

(Street)

MINNETONKA, MN 55305

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Health Fitness Corp /MN/ [HFIT]

3. Date of Earliest Transaction
(Month/Day/Year)
03/31/2005

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)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) Price | | | |
| Common Stock | | | | | 20,000 | I | By Bayview Capital Partners LP ⁽¹⁾ |

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

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SEC 1474 (9-02)

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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 Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount Number Shares |
| Warrant (Right to Buy) | \$ 0.5 | | | | | 12/08/2003 12/08/2013 | Common Stock 1,210 |
| Director Stock Option (Right to Buy) | \$ 1.26 | | | | | 05/19/2004 05/19/2010 | Common Stock 15,000 |
| Director Stock Option (Right to Buy) | \$ 1.99 | | | | | 12/08/2004 12/08/2014 | Common Stock 15,000 |
| Series A Convertible Stock | \$ 0.5 | 03/31/2005 | | J ⁽²⁾ | 14,795 | 03/31/2005 ⁽³⁾ | Common Stock 29,580 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| MUSECH CARY TONKA BAY EQUITY PARTNERS LLC 301 CARLSON PARKWAY, SUITE 325 MINNETONKA, MN 55305 | X | X | | |
| BAYVIEW CAPITAL PARTNERS LP TONKA BAY EQUITY PARTNERS LLC 301 CARLSON PARKWAY, SUITE 325 MINNETONKA, MN 55305 | | X | | |

Signatures

Cary Musech

04/20/2005

**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) Mr. Musech is the Managing Director of Bayview Capital Management LLC, the General Partner of Bayview Capital Partners LP. The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.

(2) The Series A Convertible Preferred Stock issued on December 8, 2003 to Bayview at a price of \$1.00 per share has a stated dividend rate of 6% per year, computed on a simple interest basis, paid in the form of additional shares of Series A Convertible Preferred Stock. Each share of Series A Convertible Preferred Stock may be converted at any time into two shares of common stock.

(3) Series A Convertible Preferred Stock does not have an expiration date.

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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