

TOWN SPORTS INTERNATIONAL HOLDINGS INC  
Form SC 13D/A  
November 20, 2014

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

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. 2)1

Town Sports International Holdings, Inc.

(Name of Issuer)

Common Stock, par value \$0.001 per share  
(Title of Class of Securities)

89214A102

(CUSIP Number)

Patrick Walsh  
PW Partners Atlas Funds, LLC  
141 W. Jackson Blvd., Suite 300  
Chicago, Illinois 60604  
(312) 347-1709

Steve Wolosky, Esq.  
Ron S. Berenblat, Esq.  
Olshan Frome Wolosky LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
(212) 451-2300

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

November 18, 2014  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box " ".

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

---

1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

---

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners Atlas Fund III LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	0	
	8	SHARED VOTING POWER
	9	2,141,486 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,141,486

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.8%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners Atlas Funds, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	SHARED VOTING POWER
	9	2,141,486 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER
		2,141,486

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,141,486

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.8%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners Master Fund LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	0 SHARED VOTING POWER
	9	25,000 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

25,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

Less than 1%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	0 SHARED VOTING POWER
	9	25,000 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

25,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

Less than 1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

PW Partners Capital Management LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	0	
	8	SHARED VOTING POWER
	9	2,166,486 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER
		2,166,486

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,166,486

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.9%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 89214A102

1 NAME OF REPORTING PERSON

Patrick Walsh

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

PF, AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		69,950
	8	SHARED VOTING POWER
		2,166,486
	9	SOLE DISPOSITIVE POWER
		69,950
	10	SHARED DISPOSITIVE POWER
		2,166,486

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,236,436

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.2%

14 TYPE OF REPORTING PERSON

IN



CUSIP NO. 89214A102

The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned ("Amendment No. 2"). This Amendment No. 2 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The Shares purchased by each of Atlas Fund III and PW Master Fund were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business).

The aggregate purchase price of the 2,141,486 Shares directly owned by Atlas Fund III is approximately \$12,273,211, including brokerage commissions. The aggregate purchase price of the 25,000 Shares directly owned by PW Master Fund is approximately \$116,333, excluding brokerage commissions. The Shares purchased by Mr. Walsh were purchased with personal funds. The aggregate purchase price of the 69,950 Shares directly owned by Mr. Walsh is approximately \$319,532, excluding brokerage commissions.

Item 5. Interest in Securities of the Issuer.

Items 5(a) - 5(c) are hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 24,296,658 Shares outstanding as of November 6, 2014, which is the total number of Shares outstanding as reported in the Issuer's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 10, 2014.

As of the close of business on the date hereof, Atlas Fund III beneficially owned directly 2,141,486 Shares, PW Master Fund beneficially owned directly 25,000 Shares and Mr. Walsh beneficially owned directly 69,950 Shares, constituting approximately 8.8%, less than 1%, and less than 1%, respectively, of the Shares outstanding.

Atlas Fund GP, as the general partner of Atlas Fund III, may be deemed to beneficially own the 2,141,486 Shares directly beneficially owned by Atlas Fund III, constituting approximately 8.8% of the Shares outstanding.

PW Master Fund GP, as the general partner of PW Master Fund, may be deemed to beneficially own the 25,000 Shares directly beneficially owned by PW Master Fund, constituting less than 1% of the Shares outstanding.

PW Capital Management, as the investment manager with respect to each of Atlas Fund III and PW Master Fund, may be deemed to beneficially own the 2,166,486 Shares directly beneficially owned in the aggregate by Atlas Fund III and PW Master Fund, constituting approximately 8.9% of the Shares outstanding. Mr. Walsh, as the Managing Member and Chief Executive Officer of each of Atlas Fund GP and PW Master Fund GP and the Managing Member of PW Capital Management, may be deemed to beneficially own the 2,166,486 Shares beneficially owned in the aggregate by Atlas Fund GP, PW Master Fund GP and PW Capital Management, which, together with the Shares he directly beneficially owns, constitutes an aggregate of 2,236,436 Shares or approximately 9.2% of the Shares outstanding.

CUSIP NO. 89214A102

The Reporting Persons and the HG Parties collectively own an aggregate of 6,111,436 Shares, representing approximately 25.2% of the Shares outstanding. Each of the Reporting Persons disclaims beneficial ownership of the Shares owned by the HG Parties.

(b) Each of Atlas Fund III, Atlas Fund GP, PW Capital Management and Mr. Walsh have shared power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares beneficially owned directly by Atlas Fund III.

Each of PW Master Fund, PW Master Fund GP, PW Capital Management and Mr. Walsh have shared power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares beneficially owned directly by PW Master Fund. Mr. Walsh has the sole power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares beneficially owned directly by him.

(c) The transactions in securities of the Issuer effected by the Reporting Persons since the filing of Amendment No. 1 to the Schedule 13D are set forth on Schedule A attached hereto. All of such transactions were effected in the open market except as otherwise set forth therein.

CUSIP NO. 89214A102

SIGNATURES

After reasonable inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information with respect to it set forth in this statement is true, complete, and correct.

Dated: November 20, 2014

PW PARTNERS ATLAS FUND III LP

By: PW Partners Atlas Funds, LLC  
General Partner

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member and Chief  
Executive Officer

PW PARTNERS MASTER FUND LP

By: PW Partners, LLC  
General Partner

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member and Chief  
Executive Officer

PW PARTNERS ATLAS FUNDS, LLC

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member and Chief  
Executive Officer

PW PARTNERS, LLC

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member and Chief  
Executive Officer

PW PARTNERS CAPITAL MANAGEMENT LLC

By: /s/ Patrick Walsh  
Name: Patrick Walsh  
Title: Managing Member

/s/ Patrick Walsh  
PATRICK WALSH

CUSIP NO. 89214A102

## SCHEDULE A

TRANSACTIONS IN THE SECURITIES OF THE ISSUER SINCE THE FILING OF AMENDMENT NO. 1 TO  
THE SCHEDULE 13D

Class of Security	Amount of Securities Purchased	Price (\$)	Date of Purchase
PW PARTNERS ATLAS FUND III LP			
Common Stock	900	5.8389	10/27/2014
Common Stock	1,800	5.8400	10/27/2014
Common Stock	100	5.8220	10/27/2014
Common Stock	4,700	5.8856	10/27/2014
Common Stock	15,000	5.9673	10/28/2014
Common Stock	500	5.9210	11/03/2014
Common Stock	4,418	5.6226	11/14/2014
Common Stock	8,114	5.6656	11/14/2014
Common Stock	74,085	5.5966	11/17/2014
Common Stock	50,000	5.5200	11/17/2014
Common Stock	124,662	5.5511	11/18/2014