

SELECT MEDICAL CORP
Form 4
February 28, 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 *
TALALAI JAMES J

(Last) (First) (Middle)

4716 OLD GETTYSBURG ROAD, P.O. BOX 2034

(Street)

MECHANICSBURG, PA 17055

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

SELECT MEDICAL CORP [SEM]

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

02/24/2005

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)
SVP and CIO

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) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (D) | Price |
| Common Stock, par value \$.01 per share | 02/24/2005 | | D ⁽¹⁾ | | 14,324 | D | 0 |

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 of Underlying Security (Instr. 3 and 4) | Ar Nu Sh |
|--|--|--------------------------------------|--|--------------------------------|---|---------|--|-----------------|---|----------------|
| | | | | | V | (A) (D) | Date Exercisable | Expiration Date | | |
| Employee Stock Options (right to buy) | \$ 3.26 | 02/24/2005 | | D ⁽²⁾ | | 4,608 | 01/01/2001 | 12/31/2009 | Common Stock | 4 |
| Employee Stock Options (right to buy) | \$ 3.26 | 02/24/2005 | | D ⁽²⁾ | | 13,824 | 05/22/2001 | 05/21/2010 | Common Stock | 1 |
| Employee Stock Options (right to buy) | \$ 5.21 | 02/24/2005 | | D ⁽²⁾ | | 13,824 | 10/13/2001 | 10/12/2010 | Common Stock | 1 |
| Non-qualified Stock Options (right to buy) | \$ 4.75 | 02/24/2005 | | D ⁽²⁾ | | 15,264 | 02/26/2002 | 02/25/2011 | Common Stock | 1 |
| Non-qualified Stock Options (right to buy) | \$ 5.88 | 02/24/2005 | | D ⁽²⁾ | | 48,000 | 04/26/2002 | 04/25/2011 | Common Stock | 4 |
| Non-qualified Stock Options (right to buy) | \$ 7.63 | 02/24/2005 | | D ⁽²⁾ | | 90,000 | 05/13/2003 | 05/12/2012 | Common Stock | 9 |
| Non-qualified Stock Options (right to buy) | \$ 14.53 | 02/24/2005 | | D ⁽²⁾ | | 110,000 | 08/12/2004 | 08/11/2013 | Common Stock | 1 |
| Non-qualified Stock Options (right to buy) | \$ 13.86 | 02/24/2005 | | D ⁽²⁾ | | 27,000 | 05/11/2005 | 05/10/2014 | Common Stock | 2 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------|-------|
| | Director | 10% Owner | Officer | Other |
| TALALAI JAMES J 4716 OLD GETTYSBURG ROAD P.O. BOX 2034 MECHANICSBURG, PA 17055 | | | SVP and CIO | |

Signatures

/s/ Michael E. Tarvin, attorney-in-fact for James J.
Talalai

02/28/2005

__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).

Disposed of in connection with the merger of the issuer with EGL Acquisition Corp., effective February 24, 2005 (the "Merger"), pursuant to the Merger Agreement dated October 17, 2004 among the issuer, EGL Holding Company and EGL Acquisition Corp., pursuant to which the shares listed above held by the reporting person were exchanged for an equity interest in EGL Holding Company. In connection with the Merger, the common stock of the issuer was valued at \$18.00 per share.
- (1)
- (2) This option was cancelled in the Merger with EGL Acquisition Corp. effective February 24, 2005 in exchange for a cash payment equal to the number of shares subject to the option multiplied by the difference between the exercise price of the option and \$18.00.

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.