

VARONIS SYSTEMS INC  
Form SC 13G/A  
February 13, 2017

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934  
(Amendment No. 1)\*

Varonis Systems, Inc.  
(Name of Issuer)

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

922280102  
(CUSIP Number)

December 31, 2016  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

---

\*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 the disclosures provided in a prior cover page.

The information required in 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 922280102

1. NAME OF  
REPORTING  
PERSONS

Cadian  
Capital  
Management,  
LP

2. CHECK THE  
APPROPRIATE  
BOX IF A  
MEMBER OF A  
GROUP (SEE  
INSTRUCTIONS)

(a)

(b)

3. SEC USE  
ONLY

4. CITIZENSHIP  
OR PLACE  
OF  
ORGANIZATION

Delaware

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY EACH  
REPORTING  
PERSON WITH

5. SOLE  
VOTING  
POWER

0

6. SHARED  
VOTING  
POWER

1,254,335

SOLE  
7. DISPOSITIVE  
POWER

0

SHARED  
8. DISPOSITIVE  
POWER

1,254,335

AGGREGATE  
AMOUNT  
BENEFICIALLY  
9. OWNED BY  
EACH  
REPORTING  
PERSON

1,254,335

CHECK  
BOX IF  
THE  
AGGREGATE  
AMOUNT  
IN ROW  
10. (9)  
EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

PERCENT  
OF CLASS  
REPRESENTED  
11. BY  
AMOUNT  
IN ROW  
(9)

4.7%

12. TYPE OF  
REPORTING

PERSON  
(SEE  
INSTRUCTIONS)  
IA, PN

---

CUSIP  
No 922280102

NAME OF  
1. REPORTING  
PERSONS

Cadian  
Capital  
Management  
GP, LLC

CHECK THE  
APPROPRIATE  
2. BOX IF A  
MEMBER OF A  
GROUP (SEE  
INSTRUCTIONS)

(a)

(b)

3. SEC USE  
ONLY

CITIZENSHIP  
4. OR PLACE  
OF  
ORGANIZATION

Delaware

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY EACH  
REPORTING  
PERSON WITH

SOLE  
5. VOTING  
POWER

0

SHARED  
6. VOTING  
POWER

1,254,335

SOLE  
7. DISPOSITIVE  
POWER

0

SHARED  
8. DISPOSITIVE  
POWER

1,254,335

AGGREGATE  
AMOUNT  
BENEFICIALLY  
9. OWNED BY  
EACH  
REPORTING  
PERSON

1,254,335

CHECK  
BOX IF  
THE  
AGGREGATE  
AMOUNT  
IN ROW  
10. (9)  
EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

PERCENT  
OF CLASS  
REPRESENTED  
11. BY  
AMOUNT  
IN ROW  
(9)

4.7%

12.

TYPE OF  
REPORTING  
PERSON  
(SEE  
INSTRUCTIONS)  
OO, HC

---



CUSIP  
No 922280102

1. NAME OF  
REPORTING  
PERSONS

Eric  
Bannasch

2. CHECK THE  
APPROPRIATE  
BOX IF A  
MEMBER OF A  
GROUP (SEE  
INSTRUCTIONS)

(a)

(b)

3. SEC USE  
ONLY

4. CITIZENSHIP  
OR PLACE  
OF  
ORGANIZATION

United  
States of  
America

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY EACH  
REPORTING  
PERSON WITH

5. SOLE  
VOTING  
POWER

0

6. SHARED  
VOTING  
POWER

1,254,335

SOLE  
7. DISPOSITIVE  
POWER

0

SHARED  
8. DISPOSITIVE  
POWER

1,254,335

AGGREGATE  
AMOUNT  
BENEFICIALLY  
9. OWNED BY  
EACH  
REPORTING  
PERSON

1,254,335

CHECK  
BOX IF  
THE  
AGGREGATE  
AMOUNT  
IN ROW  
10. (9)  
EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

PERCENT  
OF CLASS  
REPRESENTED  
11. BY  
AMOUNT  
IN ROW  
(9)

4.7%

12. TYPE OF  
REPORTING

PERSON  
(SEE  
INSTRUCTIONS)  
IN, HC

---

CUSIP No 922280102

Item 1. (a). Name of Issuer:

Varonis Systems, Inc. (the "Issuer")

(b). Address of Issuer's Principal Executive Offices:

1250 Broadway, 29th Floor  
New York, New York 10001

Item 2. (a). Name of Person Filing:

Cadian Capital Management, LP  
Cadian Capital Management GP, LLC  
Eric Bannasch

The filing persons named above are collectively referred to herein as the "Reporting Persons."

(b). Address of Principal Business Office, or if None, Residence:

Cadian Capital Management, LP  
535 Madison Avenue  
36th Floor  
New York, NY 10022

Cadian Capital Management GP, LLC  
535 Madison Avenue  
36th Floor  
New York, NY 10022

Eric Bannasch  
535 Madison Avenue  
36th Floor  
New York, NY 10022

(c). Citizenship:

Cadian Capital Management, LP – Delaware  
Cadian Capital Management GP, LLC – Delaware  
Eric Bannasch – United States of America

(d). Title of Class of Securities:

Common Stock, par value \$0.001 per share ("Common Stock")

(e). CUSIP Number:

922280102

Item 3. If This Statement is filed pursuant to Rule 13d-1(b) or Rule 13d-2(b), or (c), check whether the person filing is  
a

---

- (a)  Broker or dealer registered under Section 15 of the Exchange Act (15 U.S.C. 78c).
- (b)  Bank as defined in Section 3(a)(6) of the Exchange Act (15 U.S.C. 78c).
- (c)  Insurance company as defined in Section 3(a)(19) of the Exchange Act (15 U.S.C. 78c).
- (d)  Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
- (e)  An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
- (f)  An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);
- (g)  A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G);
- (h)  A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C.1813);
- (i)  A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j)  A non-U.S. institution in accordance with Rule 13d-1(b)(1)(ii)(J);
- (k)  Group, in accordance with Rule 13d-1(b)(1)(ii)(K).

Item 4. Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

Cadian Capital Management, LP – 1,254,335  
Cadian Capital Management GP, LLC – 1,254,335  
Eric Bannasch – 1,254,335

(b) Percent of class:

Cadian Capital Management, LP – 4.7%  
Cadian Capital Management GP, LLC – 4.7%  
Eric Bannasch – 4.7%

Such percentages are based on 26,821,762 shares of the Issuer's Common Stock outstanding as of December 31, 2016, as disclosed in the Issuer's Form 10-K filed with the SEC on February 9, 2017.

(c) Number of shares as to which the person has:

Cadian Capital Management, LP

---

(i) Sole power to vote or to direct the vote	0	,
(ii) Shared power to vote or to direct the vote	1,254,335,	
(iii) Sole power to dispose or to direct the disposition of	0	,
(iv) Shared power to dispose or to direct the disposition of	1,254,335.	

Cadian Capital Management GP, LLC

(i) Sole power to vote or to direct the vote	0	,
(ii) Shared power to vote or to direct the vote	1,254,335,	
(iii) Sole power to dispose or to direct the disposition of	0	,
(iv) Shared power to dispose or to direct the disposition of	1,254,335.	

Eric Bannasch

(i) Sole power to vote or to direct the vote	0	,
(ii) Shared power to vote or to direct the vote	1,254,335,	
(iii) Sole power to dispose or to direct the disposition of	0	,
(iv) Shared power to dispose or to direct the disposition of	1,254,335.	

All securities reported in this Schedule 13G/A are directly held by advisory clients (the “Advisory Clients”) of Cadian Capital Management, LP (the “Adviser”). Pursuant to Investment Management Agreements, as amended, between the Advisory Clients and the Adviser, the Adviser exercises exclusive voting and investment power over securities directly held by the Advisory Clients. Cadian Capital Management GP, LLC is the general partner of the Adviser. Eric Bannasch is the sole managing member of Cadian Capital Management GP, LLC.

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [X].

Item 6. Ownership of More Than Five Percent on Behalf of Another Person.

If any other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities, a statement to that effect should be included in response to this item and, if such interest relates to more than five percent of the class, such person should be identified. A listing of the

Edgar Filing: VARONIS SYSTEMS INC - Form SC 13G/A

shareholders of an investment company registered under the Investment Company Act of 1940 or the beneficiaries of employee benefit plan, pension fund or endowment fund is not required.

All securities reported in this Schedule 13G/A are directly held by Advisory Clients. None of the Advisory Clients individually directly holds more than 5% of the Common Stock.

---



Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company.

If a parent holding company has filed this schedule, pursuant to Rule 13d-1(b)(1)(ii)(G), so indicate under Item 3(g) and attach an exhibit stating the identity and the Item 3 classification of the relevant subsidiary. If a parent holding company has filed this schedule pursuant to Rule 13d-1(c) or Rule 13d-1(d), attach an exhibit stating the identification of the relevant subsidiary.

The disclosure regarding the relationships among the Reporting Persons in Item 4 is incorporated by reference herein.

Item 8. Identification and Classification of Members of the Group.

If a group has filed this schedule pursuant to §240.13d-1(b)(1)(ii)(J), so indicate under Item 3(j) and attach an exhibit stating the identity and Item 3 classification of each member of the group. If a group has filed this schedule pursuant to §240.13d-1(c) or §240.13d-1(d), attach an exhibit stating the identity of each member of the group.

N/A

Item 9. Notice of Dissolution of Group.

Notice of dissolution of a group may be furnished as an exhibit stating the date of the dissolution and that all further filings with respect to transactions in the security reported on will be filed, if required, by members of the group, in their individual capacity. See Item 5.

N/A

Item 10. Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 13, 2017

(Date)

Cadian Capital Management, LP

By: Cadian Capital Management GP, LLC, its General Partner

By: /s/ Eric Bannasch

Eric Bannasch

Managing Member

Cadian Capital Management GP, LLC

By: /s/ Eric Bannasch

Eric Bannasch

Managing Member

/s/ Eric Bannasch

Eric Bannasch