

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

OMB APPROVAL	
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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**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>SCHER JASON SCOTT</u> _____ (Last) (First) (Middle) <u>C/O LIFEWAY FOODS, INC.</u> <u>6431 OAKTON STREET</u> _____ (Street) <u>MORTON IL 60053</u> _____ (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Lifeway Foods, Inc. [ LWAY ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/31/2022</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common stock, no par value								24,567 <sup>(1)</sup>	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date					
Restricted Stock Units	(2)						(3)	(3)	Common Stock		40,625	D	
Restricted Stock Units	(4)	08/31/2022		A		4,800	(4)	(4)	Common Stock	\$0	4,800	D	

**Explanation of Responses:**

- Includes a time-based restricted stock award of which 3,802 shares will vest on July 15, 2023, contingent on the Reporting Person's continued service as a Director on each applicable vesting date.
- Each restricted stock unit ("RSU") represents a contingent right once vested and as soon as practicable after the Reporting Person no longer serves as director to receive one share of Issuer's common stock, if the shareholders approve such issuance, or cash equal to the number of vested RSUs multiplied by the closing price of the common stock on the day the Reporting Person ceases to serve as director of the Company. Such RSUs were granted upon conversion of the Reporting Person's Board of Director compensation in fiscal year 2021 into RSUs.
- 37,054 RSUs have vested and become non-forfeitable, and, unless there is an earlier change of control of the Company or death or disability of the Reporting Person, upon which all unvested RSUs become fully vested and non-forfeitable, 1,786 will vest and become non-forfeitable on August 12, 2023 and 1,785 will vest and become non-forfeitable on August 12, 2024. Unvested RSUs will be forfeited if the Reporting Person's service as director terminates for any reason other than his death or disability or a change in control of the Company.
- Each restricted stock unit has a value equal to one share of common stock. Of such restricted stock units, 1,600 will vest on each of August 31, 2023, 2024 and 2025, contingent on the Reporting Person's continued service as a Director on each applicable vesting date.

/s/ Jason S. Scher 09/02/2022

\*\* Signature of Reporting Person Date

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

\* 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).

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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