

ADCARE HEALTH SYSTEMS, INC
Form SC 13D/A
April 04, 2017

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

SCHEDULE 13D/A

(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a)
AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)**

Under the Securities Exchange Act of 1934

(Amendment No. 7)*

ADCARE HEALTH SYSTEMS, INC.
(Name of Issuer)

Common Stock, no par value
(Title of Class of Securities)

000650W300
(CUSIP Number)

Michael J. Fox

Park City Capital, LLC

200 Crescent Court, Suite 1575

Dallas, Texas 75201

(214) 855-0800

With a Copy to:

Derek D. Bork

Thompson Hine LLP

3900 Key Center

127 Public Square

Cleveland, Ohio 44114

(216) 566-5500

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

April 4, 2017

(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.

* 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*).

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NAME OF
REPORTING
PERSON

1

**PARK CITY
CAPITAL
OFFSHORE
MASTER,
LTD.**

2

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

3

SEC USE
ONLY

4

SOURCE OF
FUNDS

5

WC
CHECK IF
DISCLOSURE
OF LEGAL
PROCEEDINGS
IS
REQUIRED
PURSUANT
TO ITEM 2(d)
or 2(e)

6

CITIZENSHIP
OR PLACE

OF
ORGANIZATION

**Cayman
Islands**

	7	SOLE VOTING POWER	0
		SHARED VOTING POWER	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	976,168*	
	9	SOLE DISPOSITIVE POWER	0
	10	SHARED DISPOSITIVE POWER	976,168*

AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
REPORTING PERSON

11

976,168*
CHECK IF
THE
AGGREGATE
AMOUNT IN
ROW (11)
EXCLUDES
CERTAIN
SHARES

12

PERCENT OF
CLASS
REPRESENTED
BY AMOUNT
IN ROW (11)

13

4.9%
TYPE OF
REPORTING

14

PERSON

CO

*Includes warrants to purchase 328,418 shares of Common Stock.

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NAME OF
REPORTING
PERSON

1

**PARK CITY
SPECIAL
OPPORTUNITY
FUND, LP**

2

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

3

SEC USE
ONLY

4

SOURCE OF
FUNDS

5

WC
CHECK IF
DISCLOSURE
OF LEGAL
PROCEEDINGS
IS
REQUIRED
PURSUANT
TO ITEM 2(d)
or 2(e)

6

CITIZENSHIP
OR PLACE
OF
ORGANIZATION

Delaware

	7	SOLE VOTING POWER	0
		SHARED VOTING POWER	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8		102,250
		SOLE DISPOSITIVE POWER	0
	9		
		SHARED DISPOSITIVE POWER	
	10		102,250

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
REPORTING PERSON

12 **102,250**
CHECK IF
THE
AGGREGATE
AMOUNT IN
ROW (11)
EXCLUDES
CERTAIN
SHARES

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

14 **Less than 1%**
TYPE OF
REPORTING
PERSON

PN

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NAME OF
REPORTING
PERSON

1

**PARK CITY
CAPITAL,
LLC**

CHECK THE
APPROPRIATE

2

BOX IF A
MEMBER OF (a)
A GROUP (b)

SEC USE
ONLY

3

SOURCE OF
FUNDS

4

OO
CHECK IF
DISCLOSURE
OF LEGAL
PROCEEDINGS
IS REQUIRED
PURSUANT
TO ITEM 2(d)
or 2(e)

5

CITIZENSHIP
OR PLACE OF
ORGANIZATION

6

Texas

7

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SOLE VOTING POWER	0
		SHARED VOTING POWER	1,078,418*
	9	SOLE DISPOSITIVE POWER	0
	10	SHARED DISPOSITIVE POWER	1,078,418*

AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY
 REPORTING PERSON

11

1,078,418*
 CHECK IF
 THE
 AGGREGATE
 AMOUNT IN
 ROW (11)
 EXCLUDES
 CERTAIN
 SHARES

12

PERCENT OF
 CLASS
 REPRESENTED
 BY AMOUNT
 IN ROW (11)

13

5.4%
 TYPE OF
 REPORTING
 PERSON

14

IA

*Includes warrants to purchase 328,418 shares of Common Stock.

CUSIP No. **000650W300** 13D/A Page 5 of 8 Pages

- 1** NAME OF REPORTING PERSON
- 2** **PCC SOF GP, LLC**
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS
- 5** **OO**
CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION

Texas

	7	SOLE VOTING POWER	0
		SHARED VOTING POWER	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8		102,250
		SOLE DISPOSITIVE POWER	0
	9		
		SHARED DISPOSITIVE POWER	102,250
	10		

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
REPORTING PERSON

12 **102,250**
CHECK IF
THE
AGGREGATE
AMOUNT IN
ROW (11)
EXCLUDES
CERTAIN
SHARES

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

14 **Less than 1%**
TYPE OF
REPORTING
PERSON

00

CUSIP No. **000650W300** 13D/A Page 6 of 8 Pages

1 NAME OF REPORTING PERSON

MICHAEL J. FOX

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

5 **PF; OO**
CHECK 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	7	SOLE VOTING	134,274*
	8	SHARED VOTING POWER	1,078,418**

EACH
REPORTING
PERSON WITH

9 SOLE DISPOSITIVE
POWER **134,274***

10 SHARED DISPOSITIVE
POWER **1,078,418****

AGGREGATE AMOUNT BENEFICIALLY
OWNED BY REPORTING PERSON

11

1,212,692**
CHECK IF THE
AGGREGATE
AMOUNT IN
ROW (11)
EXCLUDES
CERTAIN
SHARES

12

13

PERCENT OF
CLASS
REPRESENTED
BY AMOUNT
IN ROW (11)

14

6.1%
TYPE OF
REPORTING
PERSON

14

IN

*Includes 12,077 shares of Common Stock held directly by Mr. Fox, 73,532 options to purchase shares of Common Stock and 48,665 restricted shares.

**Includes warrants to purchase 328,418 shares of Common Stock.

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This Amendment No. 7 (this “Amendment No. 7”) amends the Schedule 13D originally filed with the Securities and Exchange Commission on April 4, 2013 (as amended, the “Schedule 13D” or this “Statement”), with respect to the Common Stock, no par value (the “Common Stock”), of AdCare Health Systems, Inc., a Georgia corporation (the “Company”). Except as amended and supplemented by this Amendment No. 7, the Schedule 13D remains unchanged.

Item 4. Purpose of Transaction.

On April 4, 2017, Park City Capital, LLC issued the press release included as Exhibit 99.1 to this Statement. In the press release, Park City called on the Company’s Chairman and CEO William McBride to immediately resign from all positions with the Company due to his resume falsification committed against the Company. Based on third party research commissioned by Park City and another party, McBride does not have an MBA from UCLA. Additional findings are included as Exhibit 99.2 to this Statement. If McBride does not resign immediately, Park City believes the Company’s board of directors should terminate him.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Pursuant to Rule 13d-1(k) promulgated under the Securities Exchange Act of 1934, as amended, the Reporting Persons have entered into an agreement with respect to the joint filing of this Amendment No. 7, which agreement is set forth on the signature page to this Statement.

Item 7. Material to Be Filed as Exhibits.

The following documents are exhibits to this Amendment No. 7:

99.1 Press Release.

99.2 Additional Findings Regarding William McBride.

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SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this Statement is true, complete and correct.

In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of this Statement on Schedule 13D with respect to the Common Stock of the Company.

Dated: April 4, 2017

**PARK CITY CAPITAL OFFSHORE
MASTER, LTD.**

By: /s/ Michael J. Fox
Michael J. Fox,
Director

**PARK CITY
CAPITAL, LLC**

By: /s/ Michael J. Fox
Michael J. Fox,
Manager

PCC SOF GP LLC

By: /s/ Michael J. Fox
Michael J. Fox,
Managing Member

MICHAEL J. FOX

By: /s/ Michael J. Fox
Michael J. Fox

**PARK CITY CAPITAL SPECIAL
OPPORTUNITY FUND, LP**

By: PCC SOF GP LLC, its general partner

By: /s/ Michael J. Fox
Michael J. Fox,
Managing Member