

Quadrant 4 Systems Corp  
Form SC 13G  
February 14, 2012

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

SCHEDULE 13G

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

Quadrant 4 Systems Corporation  
(Name of Issuer)

Common Stock  
(Title of Class of Securities)

74735A104  
(CUSIP Number)

December 31, 2011  
(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. 74735A104

1 NAME OF REPORTING PERSONS

Perritt Capital Management, Inc.

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

3 Not Applicable  
 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Illinois

5 SOLE VOTING POWER

6 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 10,000 SHARED VOTING POWER

7 2,500,000 (1) SOLE DISPOSITIVE POWER

8 10,000 SHARED DISPOSITIVE POWER

2,500,000 (1)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,510,000

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

11 Not Applicable

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

5.1% (2)

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IA

(1) Represents shares beneficially owned by Perritt Funds, Inc. (see Item 2(a)).

(2)The percent ownership calculated is based upon an aggregate of 49,250,492 shares outstanding as of November 18, 2011.

CUSIP No. 74735A104

1 NAME OF REPORTING PERSONS

Perritt Funds, Inc.

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

3 Not Applicable  
 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Maryland

5 SOLE VOTING POWER

6 NUMBER OF  
 SHARES  
 BENEFICIALLY

0  
 SHARED VOTING POWER

7 OWNED BY  
 EACH  
 REPORTING

2,500,000  
 SOLE DISPOSITIVE POWER

8 PERSON  
 WITH

0  
 SHARED DISPOSITIVE POWER

2,500,000

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,500,000

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

11 Not Applicable

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

5.1% (1)

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IV

(1) The percent ownership calculated is based upon an aggregate of 49,250,492 shares outstanding as of November 18, 2011.

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CUSIP No. 74735A104

Item 1(a). Name of Issuer:

Quadrant 4 Systems Corporation

Item 1(b). Address of Issuer's Principal Executive Offices:

2850 Golf Road, Suite 405, Rolling Meadows, IL 60008

Item 2(a). Name of Person Filing:

The persons filing this Schedule 13G are (i) Perritt Capital Management, Inc., an investment adviser registered under Section 203 of the Investment Advisers Act of 1940 and (ii) Perritt Funds, Inc., an investment company registered under the Investment Company Act of 1940. Perritt Capital Management, Inc. is the investment adviser to Perritt Funds, Inc. and its sole series, Perritt Emerging Opportunities Fund. Attached as Exhibit 1 hereto, which is incorporated by reference herein, is an agreement between Perritt Capital Management, Inc. and Perritt Funds, Inc. that this Schedule 13G is filed on behalf of each of them.

Item 2(b). Address of Principal Business Office or, if none, Residence:

300 South Wacker Drive, Suite 2880, Chicago, IL 60606

Item 2(c). Citizenship:

Perritt Capital Management, Inc. is an Illinois corporation.

Perritt Funds, Inc. is a Maryland corporation.

Item 2(d). Title of Class of Securities:

Common Stock

Item 2(e). CUSIP Number:

74735A104

Item 3. If this statement is filed pursuant to sections 240.13d-1(b), or 240.13d-2(b) or (c), check whether the person filing is a:

Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).

An investment adviser in accordance with section 240.13d-1(b)(1)(ii)(E).

Item 4. Ownership:

Perritt Capital Management, Inc.

(a) Amount Beneficially Owned: 2,510,000

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- (b) Percent of Class: 5.1%
- (c) Number of shares as to which such person has:
  - (i) sole power to vote or to direct the vote: 10,000
  - (ii) shared power to vote or to direct the vote: 2,500,000
  - (iii) sole power to dispose or to direct the disposition of: 10,000
  - (iv) shared power to dispose or to direct the disposition of: 2,500,000

Perritt Funds, Inc.

- (a) Amount Beneficially Owned: 2,500,000
- (b) Percent of Class: 5.1%
- (c) Number of shares as to which such person has:
  - (i) sole power to vote or to direct the vote: 0
  - (ii) shared power to vote or to direct the vote: 2,500,000
  - (iii) sole power to dispose or to direct the disposition of: 0
  - (iv) shared power to dispose or to direct the disposition of: 2,500,000

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

N/A

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

N/A

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

N/A

CUSIP No. 74735A104

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

N/A

Item 9. Notice of Dissolution of Group:

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.

Exhibits.

1. Agreement to file Schedule 13G jointly.

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.

Date: February 14, 2012

PERRITT CAPITAL MANAGEMENT, INC.

By: /s/ Michael J. Corbett  
Michael J. Corbett, Vice President

PERRITT FUNDS, INC.

By: /s/ Michael J. Corbett  
Michael J. Corbett, President

CUSIP No. 74735A104

EXHIBIT 1

AGREEMENT, dated as of February 14, 2012, by and among Perritt Capital Management, Inc., an Illinois corporation, and Perritt Funds, Inc., a Maryland corporation.

WHEREAS, in accordance with Rule 13d-1(k) of the Securities Exchange Act of 1934 (the "Act"), only one such statement need be filed whenever two or more persons are required to file a statement pursuant to Section 13(d) of the Act with respect to the same securities, provided that said persons agree in writing that such statement is filed on behalf of each of them.

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, the parties hereto agree as follows:

Perritt Capital Management, Inc. and Perritt Funds, Inc. hereby agree, in accordance with Rule 13d-1(k) under the Act, to file one statement on Schedule 13G relating to their ownership of the Common Stock of Quadrant 4 Systems Corporation and hereby further agree that said statement shall be filed on behalf of Perritt Capital Management, Inc. and Perritt Funds, Inc. Nothing herein shall be deemed to be an admission that the parties hereto, or any of them, are members of a "group" (within the meaning of Section 13(d) of the Act and the rules promulgated thereunder) with respect to any securities of Quadrant 4 Systems Corporation.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first written above.

PERRITT CAPITAL MANAGEMENT, INC.

By: /s/ Michael J. Corbett  
Michael J. Corbett, Vice President

PERRITT FUNDS, INC.

By: /s/ Michael J. Corbett  
Michael J. Corbett, President

