

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.

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\* 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 <sup>(a)</sup>  
A GROUP <sup>(b)</sup>

**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**

|   |           |                             |                 |
|---|-----------|-----------------------------|-----------------|
|   | <b>7</b>  | SOLE VOTING<br>POWER        | <b>0</b>        |
|   |           | SHARED VOTING<br>POWER      |                 |
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | <b>8</b>  | <b>976,168*</b>             |                 |
|   | <b>9</b>  | SOLE DISPOSITIVE<br>POWER   | <b>0</b>        |
|   | <b>10</b> | SHARED<br>DISPOSITIVE POWER | <b>976,168*</b> |

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

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\*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 <sup>(a)</sup>  
A GROUP <sup>(b)</sup>

**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**

|   |           |                             |                |
|---|-----------|-----------------------------|----------------|
|   | <b>7</b>  | SOLE VOTING<br>POWER        | <b>0</b>       |
|   |           | SHARED VOTING<br>POWER      |                |
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | <b>8</b>  |                             | <b>102,250</b> |
|   |           | SOLE DISPOSITIVE<br>POWER   | <b>0</b>       |
|   | <b>9</b>  |                             |                |
|   |           | SHARED<br>DISPOSITIVE POWER |                |
|   | <b>10</b> |                             | <b>102,250</b> |

**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<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | 8  | SOLE VOTING<br>POWER        | 0          |
|   |    | SHARED VOTING POWER         | 1,078,418* |
|   | 9  | SOLE DISPOSITIVE<br>POWER   | 0          |
|   | 10 | SHARED DISPOSITIVE<br>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

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



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- 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**

|   |           |                             |                |
|---|-----------|-----------------------------|----------------|
|   | <b>7</b>  | SOLE VOTING<br>POWER        | <b>0</b>       |
|   |           | SHARED VOTING POWER         |                |
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | <b>8</b>  |                             | <b>102,250</b> |
|   |           | SOLE DISPOSITIVE<br>POWER   | <b>0</b>       |
|   | <b>9</b>  |                             |                |
|   |           | SHARED DISPOSITIVE<br>POWER | <b>102,250</b> |
|   | <b>10</b> |                             |                |

**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

**OO**



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**1** NAME OF REPORTING PERSON

**MICHAEL J. FOX**

**2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP <sup>(a)</sup> <sub>(b)</sub>

**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 | <b>7</b> | SOLE VOTING         | <b>134,274*</b>    |
|  | <b>8</b> | SHARED VOTING POWER | <b>1,078,418**</b> |

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**

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\*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