

BRENNER KAREN B  
Form SC 13D/A  
October 14, 2003

**SCHEDULE 13D INFORMATION TO BE INCLUDED IN STATEMENTS**

**FILED PURSUANT TO RULE 13D-1(A) AND AMENDMENTS**

**THERE TO FILED PURSUANT TO RULE 13D-2(A).\***

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**SCHEDULE 13D/A**

**UNDER THE SECURITIES EXCHANGE ACT OF 1934**

**(AMENDMENT NO. 8)\***

SUNLINK HEALTH SYSTEMS, INC.

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(Name of Issuer)

COMMON STOCK, NO PAR VALUE

---

(Title of Class of Securities)

501067102

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(CUSIP Number)

Karen Beth Brenner

P.O. Box 9109

Newport Beach, California 92658

(949) 786-1401

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

June 13, 2003

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(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 which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box "  .

Check the following box if a fee is being paid with this statement "  . (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.)

**Note:** Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) 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 period.

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 and 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.)

\*As amended by Releases No. 34-15457, dated January 4, 1979, effective February 14, 1979 (as corrected by Release No. 34-15457A, dated February 25, 1979) and No. 34-14384, dated November 29, 1979, effective January 5, 1980.

Editor.

(Continued on following page(s))

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1. Name of Reporting Person, SS or IRS Identification No. of above person

KAREN B. BRENNER

2. Check the Appropriate Box if a Member of a Group\*

(a) ..

(b) x

3. SEC Use Only

4. Source of Funds\*

N/A

5. Check Box if Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization

USA

NUMBER OF 7. Sole Voting Power

SHARES

BENEFICIALLY 263,506

OWNED BY 8. Shared Voting Power

EACH

REPORTING 0

PERSON 9. Sole Dispositive Power

WITH

263,506

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10. Shared Dispositive Power

46,140

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11. Aggregate Amount Beneficially Owned by Each Reporting Person

309,646

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12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares\* ..

---

13. Percent of Class Represented by Amount in Row (11)

4.7%

---

14. Type of Reporting Person\*

IN

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**SEE INSTRUCTIONS BEFORE FILLING OUT!**

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1. Name of Reporting Person, SS or IRS Identification No. of above person

FORTUNA UNPLUGGED, L.P.

2. Check the Appropriate Box if a Member of a Group\*

(a)

(b)

3. SEC Use Only

4. Source of Funds\*

N/A

5. Check Box if Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

USA

NUMBER OF 7. Sole Voting Power

SHARES

BENEFICIALLY 218,275

OWNED BY 8. Shared Voting Power

EACH

REPORTING 0

PERSON 9. Sole Dispositive Power

WITH

218,275

---

10. Shared Dispositive Power

0

---

11. Aggregate Amount Beneficially Owned by Each Reporting Person

218,275

---

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares\*

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13. Percent of Class Represented by Amount in Row (11)

3.4%

---

14. Type of Reporting Person\*

PN

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1. Name of Reporting Person, SS or IRS Identification No. of above person

FORTUNA ASSET MANAGEMENT, LLC

2. Check the Appropriate Box if a Member of a Group\*

(a)

(b)

3. SEC Use Only

4. Source of Funds\*

WC

5. Check Box if Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

CALIFORNIA

NUMBER OF	7. Sole Voting Power
SHARES	
BENEFICIALLY	256,006

OWNED BY	8. Shared Voting Power
EACH	
REPORTING	0

PERSON	9. Sole Dispositive Power
WITH	

256,006

---

10. Shared Dispositive Power

46,140

---

11. Aggregate Amount Beneficially Owned by Each Reporting Person

302,146

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12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares\*

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13. Percent of Class Represented by Amount in Row (11)

4.6%

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14. Type of Reporting Person\*

CO

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1. Name of Reporting Person, SS or IRS Identification No. of above person

Beilihis Investments, LLC

2. Check the Appropriate Box if a Member of a Group\*

(a)

(b)

3. SEC Use Only

4. Source of Funds\*

WC

5. Check Box if Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

CALIFORNIA

NUMBER OF 7. Sole Voting Power

SHARES

BENEFICIALLY 378,649

OWNED BY 8. Shared Voting Power

EACH

REPORTING 0

PERSON 9. Sole Dispositive Power

WITH

0

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10. Shared Dispositive Power

378,649

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11. Aggregate Amount Beneficially Owned by Each Reporting Person

378,649

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12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares\* ..

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13. Percent of Class Represented by Amount in Row (11)

6.0%

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14. Type of Reporting Person\*

OO (Trust)

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1. Name of Reporting Person, SS or IRS Identification No. of above person

STEVEN BAILEYS

2. Check the Appropriate Box if a Member of a Group\*

(a)

(b)

3. SEC Use Only

4. Source of Funds\*

N/A

5. Check Box if Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

USA

NUMBER OF 7. Sole Voting Power

SHARES

BENEFICIALLY 672,698

OWNED BY 8. Shared Voting Power

EACH

REPORTING 0

PERSON 9. Sole Dispositive Power

WITH

7,500

---

10. Shared Dispositive Power

665,198

---

11. Aggregate Amount Beneficially Owned by Each Reporting Person

672,698

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12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares\*

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13. Percent of Class Represented by Amount in Row (11)

10.5%

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14. Type of Reporting Person\*

IN

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**SEE INSTRUCTIONS BEFORE FILLING OUT!**

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Item 1. Security and Issuer.

This filing relates to the Common Stock, without par value (the "Stock"), of SunLink Health Systems, Inc. (the "Company"). The Stock trades on the American Stock Exchange. The Company's principal executive offices are located at 900 Circle 75 Parkway, Suite 1300, Atlanta, Georgia 30339; the Company's telephone number at that location is (770) 933-7000. The number of issued and outstanding shares of Stock as of October 6, 2003, as reported to us by the Company, is 6,281,407.

Item 2. Identity and Background.

(a) This statement is filed by (i) Fortuna Unplugged, L.P. ("Fortuna Unplugged"), a California limited partnership with respect to shares of Stock held or beneficially owned by the partnership, (ii) Fortuna Asset Management, LLC, successor to Fortuna Advisors, Inc. ("Fortuna Asset Management") as discretionary investment adviser with respect to shares of Stock held or beneficially owned by its advisory clients; (iii) Karen Brenner with respect to shares of Stock held or beneficially owned by her and as sole shareholder and managing member of Fortuna Asset Management (including stock held by or beneficially owned by Fortuna Unplugged due to the fact that Fortuna Asset Management serves as the General Partner of Fortuna Unplugged), (iv) Beilihis Investments, LLC, and (v) Steven Baileys with respect to Shares of Stock held or beneficially owned by him and as managing member of Beilihis Investments, LLC. This filing shall constitute the final filing on Schedule 13D for Fortuna Unplugged, Fortuna Asset Management and Karen Brenner as they are no longer part of the Reporting Group and their aggregate beneficial ownership of SunLink common shares has dropped below the five-percent threshold. (See Item 5(e) herein).

Beilihis Investments, LLC and Steven Baileys as Managing Member of Beilihis Investments, LLC will continue to report their ownership interests by filing on Schedule 13D as a group that beneficially owns more than five percent (5%) of the Stock.

(b) The principal business address of (i) Fortuna Asset Management; (ii) Fortuna Unplugged; and (iii) Karen Brenner is P.O. Box 9109, Newport Beach, California 92658. The principal address of Beilihis Investments, LLC and Steven Baileys is 30691 Hunt Club Drive, San Juan Capistrano, California 92675.

(c) The business of (i) Fortuna Unplugged is that of private investment partnerships engaging in the purchase and sale of securities for investment for its own account;

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The business of (i) Fortuna Asset Management is the provision of discretionary investment management services to clients and (ii) Karen Brenner is president of Fortuna Asset Management. Fortuna Asset Management is also the general partner of Fortuna Unplugged. Ms. Brenner serves as a director of SunLink Health Systems, Inc.

The business of (i) Beilihis Investments, LLC is an investor, and (ii) Steven Baileys is a private investor and serves as the managing member of Beilihis Investments, LLC. Dr. Baileys also serves as a director of SunLink Health Systems, Inc.

(d) None of the Reporting Persons has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons has, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or state securities laws or finding any violation with respect to such laws.

(f) (i) Fortuna Unplugged is a California limited partnership; (ii) Fortuna Asset Management and Beilihis Investments, LLC are California limited liability corporations; (iii) Karen Brenner is a United States citizen; (iv) Steven Baileys is a United States citizen.

**Item 3. Source and Amount of Funds and Other Consideration**

Beilihis Investments, LLC purchased its shares of stock from the Baileys Family Trust for \$410,000. The consideration for such purchase was a five year promissory note and collateral in the form of 100,000 shares of SunLink Health Systems, Inc. currently owned by Dr. Baileys.

The net investment cost (including commissions if any) of the shares of Stock beneficially owned by Steven Baileys is \$1,377,158 (exclusive of shares beneficially owned through Beilihis Investments, LLC). The source of funds for this consideration was personal funds and a gift from a family trust.

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Item 4. Purpose of the Transaction

The purpose of the acquisition of the shares by Beilhis Investments, LLC is for an investment in the Company. Each member of the Group may make further purchases of shares of Stock from time to time and may dispose of any or all of the shares of Stock held by it at any time.

As of June 13, 2003, Karen Brenner no longer had dispositive power over any of the SunLink shares held by Beilhis Investments, LLC (which bought its shares from the Baileys Family Trust) or the shares held by Steven Baileys. Karen Brenner, Fortuna Investment Partners, L.P., Fortuna Capital Management, Inc., Ronald J. Vannuki, Fortuna Unplugged, L.P., and Fortuna Asset Management, LLC, no longer are considered part of this Reporting Group. Additionally, their beneficial ownership of SunLink shares is no longer greater than five percent of the class of securities. Therefore, as such persons/entities beneficially own less than five percent (5%) of the SunLink common stock, they will no longer file a Schedule 13D.

Item 5. Interest in Securities of the Issuer

(a) As of the date hereof, each person below has the following interest in the securities of the Issuer:

(i) Fortuna Unplugged as a private investment partnership engaging in the purchase and sale of securities for investment for their own account beneficially owns 218,275 shares of Stock. Fortuna Unplugged is the beneficial owner of 3.4% of the Stock.

(v) Fortuna Asset Management as discretionary investment adviser to clients whose accounts hold the Stock, beneficially owns 302,146 shares of Stock exclusive of the Beilhis Investments, LLC, but inclusive of Fortuna Unplugged and Karen Brenner beneficially owned shares of Stock, which includes 259,160 warrants to purchase shares of Stock. Fortuna Asset Management is the beneficial owner of 4.6% of the Stock.

(vi) Karen Brenner, as sole shareholder of Fortuna Asset Management and as a direct owner of shares of Stock, beneficially owns 309,646 shares of Stock, which includes 264,160 options and warrants to purchase shares of Stock. Ms. Brenner is the beneficial owner of 4.7% of the Stock.

(vii) Beilhis Investments, LLC beneficially owns 378,649 shares which includes 52,041 warrants. Beilhis Investments, LLC is the beneficial owner of 6.0% of the Stock.

(viii) Steven Baileys, as individual and as managing member of Beilhis Investments, LLC, beneficially owns 672,698 shares including 110,482 options and warrants. Steven Baileys is the beneficial owner of 10.5% of the Stock.

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The Group, which now consists only of Steven Baileys and Beilihis Investments, LLC, in the aggregate may be deemed to own 10.5% of the Stock.

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(b)

	No. of Shares		Power to Vote		Power to Dispose	
	Beneficially	Percentage	Sole (# 7)	Shared (# 8)	Sole (# 9)	Shared(# 10)
	Owned (# 11)	of Class (# 13)				
Fortuna Unplugged, LP <sup>(1)</sup>	218,275	3.4%	218,275	0	218,275	0
Fortuna Asset Management <sup>(1)</sup>	302,146	4.6%	256,006	0	256,506	46,140
Karen B Brenner <sup>(1)</sup>	309,646	4.7%	263,506	0	263,506	46,140
Beilhis Investment, LLC	378,649	6.0%	378,649	0	0	378,649
Steven Baileys	672,698	10.5%	672,698	0	7,500	665,198

(1) No longer part of Reporting Group and are no longer required to report their ownership of the Stock on Schedule 13D

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(c) The trading dates, number of shares purchased or sold and price per share for all transactions by the Reporting Persons since August, 16, 2002 are set forth on Schedule A hereto. All such transactions were open market transactions or transfers between related accounts and were effected on the American Stock Exchange or privately between related accounts. No other transactions were effected by the Reporting Persons during such period.

(d) No person other than each respective owner referred to herein of Stock is known to have the right to receive or the power to direct the receipt of dividends from or the proceeds of sale of such Stock.

(e) As of June 13, 2003, Karen Brenner no longer had dispositive power over the stock held by Steven Baileys and Beilhis Investments, Inc. As a result, Ms. Brenner and the entities she controls, including, Fortuna Unplugged and Fortuna Asset Management, are no longer part of the Reporting Group. Additionally, SunLink has issued new shares of its common stock into the market causing Ms. Brenner and her affiliated entities to no longer be the beneficial owner of greater than five percent (5%) of the Class of Securities. Therefore, such persons will no longer file on Schedule 13D so long as their beneficial ownership of SunLink securities remains below the five percent (5%) threshold.

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

None

Item 7      Matter to be Filed as Exhibits

No new exhibits. Exhibits previously filed by the Reporting Persons are incorporated herein by this reference.

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**SIGNATURES**

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.

Dated: October 13, 2003

**FORTUNA ASSET MANAGEMENT, LLC**

By:           /s/ KAREN B. BRENNER          

Karen B. Brenner, Managing  
Member

          /s/ KAREN B. BRENNER          

Karen B. Brenner

Individual

**FORTUNA UNPLUGGED, L.P.**

By:           /s/ KAREN B. BRENNER          

Karen B. Brenner,

Managing Member, Fortuna Asset  
Management, LLC

General Partner

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**BEILIHIS INVESTMENTS, LLC**

By:           /s/ STEVEN BAILEYS          

Steven Baileys, Managing Member

          /s/ STEVEN BAILEYS          

Steven Baileys

Individual

## Schedule A

Transactions Since 8/16/02

<u>Party</u>	<u>Trade Date</u>	<u>Bought (Sold)</u>	<u>Net Amount</u>	<u>Broker Effecting Per Share Transaction</u>
Beilhis Investments, LLC06/11/03	51,841 WTs	\$ 51.84	\$ 0.001	Private Party Sale
Beilhis Investments, LLC06/11/03	321,601 shares	\$ 409,948.16	\$ 1.28	Private Party Sale
Fortuna Asset Management 10/31/02	2,000 Shares	\$ 4,300	\$ 2.15	Private Party Sale

\* Fortuna Asset Management now beneficially owns less than five percent (5%) of the Stock and is no longer required to file and report its holdings of the Stock on Schedule 13D.