

SAFEGUARD SCIENTIFICS INC  
Form SC 13D/A  
April 24, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT

TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO

§ 240.13d-2(a)

(Amendment No. 3)<sup>1</sup>

Safeguard Scientifics, Inc.

(Name of Issuer)

Common Stock, Par Value \$0.10 Per Share

(Title of Class of Securities)

786449207

(CUSIP Number)

JOSEPH M. MANKO, JR.

HORTON CAPITAL PARTNERS, LLC

1717 Arch Street, Suite 3920

Philadelphia, PA 19103

(215) 399-5402

DARREN C. WALLIS

MAPLEWOOD PARTNERS, LLC

Edgar Filing: SAFEGUARD SCIENTIFICS INC - Form SC 13D/A

555. E. Lancaster Avenue, Suite 520

Radnor, PA 19087

(610) 816-6660

*[With a copy to]*

ANDREW FREEDMAN, ESQ.

MEAGAN REDA, ESQ.

OLSHAN FROME WOLOSKY LLP

1325 AVENUE OF THE AMERICAS

NEW YORK, NY 10019

(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

April 23, 2018

(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.

1 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*).

CUSIP NO. 786449207

1 NAME OF REPORTING PERSON

Horton Capital Management, LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC; OO (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7 SOLE VOTING POWER - 0 -

8 SHARED VOTING POWER 1,045,870 (See Item 5)

9 SOLE DISPOSITIVE POWER

- 0 - SHARED DISPOSITIVE POWER

10

1,045,870

(See Item

5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

1,045,870 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 5.1% (See Item 5)  
TYPE OF REPORTING  
PERSON

IA

CUSIP NO. 786449207

1 NAME OF REPORTING PERSON

Joseph M. Manko, Jr.

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

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

NUMBER OF 7 SOLE VOTING POWER

SHARES BENEFICIALLY - 0 -

OWNED BY 8 SHARED VOTING POWER

EACH 1,045,870 (See Item 5)

REPORTING PERSON WITH 9 SOLE DISPOSITIVE POWER

- 0 - SHARED DISPOSITIVE POWER 10

1,045,870  
(See Item  
5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

1,045,870 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 5.1% (See Item 5)  
TYPE OF REPORTING  
PERSON

IN

CUSIP NO. 786449207

1 NAME OF REPORTING PERSON

Maplewood Advisors IM, LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC; OO (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7 SOLE VOTING POWER

- 0 -

8 SHARED VOTING POWER

1,022,665 (See Item 5)

9 SOLE DISPOSITIVE POWER

- 0 -

10



SHARED  
DISPOSITIVE  
POWER

1,022,665  
(See Item  
5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

12 1,022,665 (See Item 5)  
CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 5.0% (See Item 5)  
TYPE OF REPORTING  
PERSON

IA

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON
	Maplewood Partners, LLC
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
	OO (See Item 3)
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
6	CITIZENSHIP OR PLACE OF ORGANIZATION
	Delaware
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 SOLE VOTING POWER
	- 0 -
8	SHARED VOTING POWER
	1,022,665 (See Item 5)
9	SOLE DISPOSITIVE POWER
	- 0 -
10	SHARED DISPOSITIVE

POWER

1,022,665  
(See Item  
5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

1,022,665 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 5.0% (See Item 5)  
TYPE OF REPORTING  
PERSON

OO

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON
	Darren C. Wallis
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
	OO (See Item 3)
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
6	CITIZENSHIP OR PLACE OF ORGANIZATION
	United States of America
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 SOLE VOTING POWER
	- 0 -
8	SHARED VOTING POWER
	1,022,665 (See Item 5)
9	SOLE DISPOSITIVE POWER
	- 0 -
10	SHARED DISPOSITIVE

POWER

1,022,665  
(See Item  
5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

1,022,665 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 5.0% (See Item 5)  
TYPE OF REPORTING  
PERSON

IN

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON	
	Horton Capital Partners, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)  (b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	OO (See Item 3)	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER  - 0 -  SHARED VOTING POWER  741,148 (See Item 5)
	8	SHARED VOTING POWER
	9	SOLE DISPOSITIVE POWER
		- 0 -

10 SHARED  
DISPOSITIVE  
POWER

741,148

(See  
Item 5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

741,148 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

3.6% (See Item 5)

14 TYPE OF REPORTING  
PERSON

OO

CUSIP NO. 786449207

1 NAME OF REPORTING PERSON

Sierra Capital Investments,  
LP

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

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF 7 SOLE VOTING POWER

SHARES BENEFICIALLY - 0 -

OWNED BY 8 SHARED VOTING POWER

EACH 707,845  
REPORTING (See Item 5)

PERSON WITH 9 SOLE DISPOSITIVE POWER

- 0 -



10 SHARED  
DISPOSITIVE  
POWER

707,845

(See  
Item 5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

707,845 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

3.4% (See Item 5)

14 TYPE OF REPORTING  
PERSON

PN

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON	
	Maplewood Global Partners, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)  (b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	OO (See Item 3)	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER  - 0 -  SHARED VOTING POWER  707,845 (See Item 5)
PERSON WITH	9	SOLE DISPOSITIVE POWER
		- 0 -

10 SHARED  
DISPOSITIVE  
POWER

707,845

(See  
Item 5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

707,845 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

3.4% (See Item 5)

14 TYPE OF REPORTING  
PERSON

OO

CUSIP NO. 786449207

1 NAME OF REPORTING PERSON

AVI Capital Partners, LP

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

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF 7 SOLE VOTING POWER

SHARES BENEFICIALLY - 0 -

OWNED BY 8 SHARED VOTING POWER

EACH 10,098 (See Item 5)

REPORTING PERSON WITH 9 SOLE DISPOSITIVE POWER

- 0 -

10

SHARED  
DISPOSITIVE  
POWER

10,098

(See  
Item 5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

10,098 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

Less than 1% (See Item 5)

14 TYPE OF REPORTING  
PERSON

PN

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON	
	Horton Capital Partners Fund, LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)  (b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	WC (See Item 3)	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF	7	SOLE VOTING POWER
SHARES BENEFICIALLY		- 0 -
OWNED BY	8	SHARED VOTING POWER
EACH		33,303
REPORTING		(See Item 5)
PERSON WITH	9	SOLE DISPOSITIVE POWER
		- 0 -

10 SHARED  
DISPOSITIVE  
POWER

33,303

(See  
Item 5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

33,303 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

Less than 1% (See Item 5)

14 TYPE OF REPORTING  
PERSON

PN

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON	
	Maplewood Advisors GP, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)  (b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	OO (See Item 3)	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER  - 0 -  SHARED VOTING POWER  10,098 (See Item 5)
	8	SOLE DISPOSITIVE POWER
	9	SOLE DISPOSITIVE POWER

- 0 -



10 SHARED  
DISPOSITIVE  
POWER

10,098

(See  
Item 5)

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

10,098 (See Item 5)

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 Less than 1% (See Item 5)  
TYPE OF REPORTING  
PERSON

OO

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON
	Russell D. Glass
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
6	CITIZENSHIP OR PLACE OF ORGANIZATION
	United States of America
NUMBER OF	7
SHARES	SOLE VOTING POWER
BENEFICIALLY	- 0 -
OWNED BY	8
EACH	SHARED VOTING POWER
REPORTING	- 0 -
PERSON WITH	9
	SOLE DISPOSITIVE POWER
	- 0 -
	10
	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

- 0 -

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 0.0%  
TYPE OF REPORTING  
PERSON

IN

13

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON
	Ira M. Lubert
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
6	CITIZENSHIP OR PLACE OF ORGANIZATION
	United States of America
NUMBER OF	7
SHARES	SOLE VOTING POWER
BENEFICIALLY	- 0 -
OWNED BY	8
EACH	SHARED VOTING POWER
REPORTING	- 0 -
PERSON WITH	9
	SOLE DISPOSITIVE POWER
	- 0 -
	10
	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

- 0 -

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 0.0%  
TYPE OF REPORTING  
PERSON

IN

14

CUSIP NO. 786449207

1	NAME OF REPORTING PERSON
	Paul McNulty
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
6	CITIZENSHIP OR PLACE OF ORGANIZATION
	United States of America
NUMBER OF	7
SHARES	SOLE VOTING POWER
BENEFICIALLY	- 0 -
OWNED BY	8
EACH	SHARED VOTING POWER
REPORTING	- 0 -
PERSON WITH	9
	SOLE DISPOSITIVE POWER
	- 0 -
	10
	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

- 0 -

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

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

14 0.0%  
TYPE OF REPORTING  
PERSON

IN

15

CUSIP NO. 786449207

The following constitutes Amendment No. 3 to the Schedule 13D filed by the undersigned (“Amendment No. 3”).

**Item 2. Identity and Background.**

Item 2 is hereby amended to add the following:

In connection with the Cooperation Agreement defined and described in Item 4 below, Russell D. Glass, Ira M. Lubert, and Paul McNulty are no longer members of the Section 13(d) group and shall cease to be Reporting Persons immediately after the filing of this Amendment No. 3. The remaining Reporting Persons will continue filing as a group statements on Schedule 13D with respect to their beneficial ownership of securities of the Issuer to the extent required by applicable law. Each of the remaining Reporting Persons is party to the Joint Filing Agreement defined and described in Item 6 below.

**Item 4. Purpose of Transaction.**

Item 4 is hereby amended to add the following:

On April 23, 2018, Sierra, HCPF, HCP, HCM, AVI, MAIM, MP, MGP, MAGP and Messrs. Manko and Wallis (collectively, the “Investor Group”) and the Issuer entered into a Cooperation Agreement (the “Cooperation Agreement”) regarding the composition of the Issuer’s Board of Directors (the “Board”) and certain other matters. The following description of the Cooperation Agreement is qualified in its entirety by reference to the Cooperation Agreement, which is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Pursuant to the terms of the Cooperation Agreement, the Issuer agreed to, among other things: (i) increase the size of its Board from seven (7) to nine (9) members; (ii) appoint each of Russell D. Glass and Ira M. Lubert to the Board (collectively, the “New Directors”) with a term expiring at the Issuer’s 2018 Annual Meeting of Shareholders (the “2018 Annual Meeting”); (iii) nominate each of the New Directors and three (3) members of the Board who are on the Board prior to the execution of the Cooperation Agreement to be selected by the members of the Board who are on the Board prior to the execution of the Cooperation Agreement (the “Incumbent Slate,” and together with the New Directors, the “2018 Nominees”) for election at the 2018 Annual Meeting with a term expiring at the Issuer’s 2019 Annual Meeting of Shareholders (the “2019 Annual Meeting”), such that a total of five (5) directors are to be elected at the 2018 Annual Meeting and such that upon the certification of the voting results for the 2018 Annual Meeting, the size of the Board shall be reduced to five (5) members; (iv) recommend each of the 2018 Nominees for election as directors of the Issuer at the 2018 Annual Meeting; (v) support and solicit proxies for the election of each of the New Directors in substantially the same manner as the Issuer supports and solicits proxies for the election of each of the members of the Incumbent Slate at the 2018 Annual Meeting; (vi) appoint one of the New Directors to the Nominating and Corporate Governance Committee of the Board and appoint the other New Director to the Compensation Committee of the Board; (vii) hold the 2018 Annual meeting no later than Friday, June 22, 2018; and (viii) not increase the size of the Board beyond five (5) members until the expiration of the Standstill Period (as defined below) without the unanimous approval of the Board, subject to certain limitations.

The Cooperation Agreement also provides that if any of the New Directors (or any replacement director) is unable or unwilling to serve as a director, resigns as a director or is removed as a director of the Issuer for any reason, other than failure to be elected or re-elected, and at such time the Investor Group beneficially owns in the aggregate at least the lesser of five percent (5.0%) of the Issuer’s then outstanding shares of Common Stock, and 1,028,037 shares of Common Stock, subject to adjustment, then the Issuer and the Investor Group will work together in good faith to identify and propose a replacement director to be appointed to the Board who shall only be appointed to the Board after having been mutually agreed upon by both the Issuer and the Investor Group.





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Pursuant to the terms of the Cooperation Agreement, the Investor Group has agreed that at each annual and special meeting of shareholders held during the Standstill Period, the Investor Group will (i) appear at such meeting or otherwise cause all shares of Common Stock beneficially owned by it and its respective Affiliates and Associates (as such terms are defined in Rule 12b-2 of the Exchange Act) to be counted as present thereat for purposes of establishing a quorum; (ii) vote, or cause to be voted, all shares of Common Stock beneficially owned by it and its respective Affiliates and Associates on the Issuer's proxy card or voting instruction form in favor of (a) the directors nominated and recommended by the Board (and not in favor of any other nominees to serve on the Board), and (b) except in connection with any Opposition Matter (as defined below) or Other Voting Recommendation (as defined below), each of the shareholder proposals listed on the Issuer's proxy card or voting instruction form in accordance with the Board's recommendations; and (iii) not execute any proxy card or voting instruction form in respect of such shareholders' meeting other than the proxy card and related voting instruction form being solicited by or on behalf of the Board. Pursuant to the Cooperation Agreement, in the event that Institutional Shareholder Services Inc. ("ISS") issues a recommendation with respect to any matter (other than with respect to the election or removal of directors) that is different from the recommendation of the Board, the Investor Group shall have the right to vote its shares of Common Stock on the Issuer's proxy card or voting instruction form in accordance with the ISS recommendation (the "Other Voting Recommendation"). Under the Cooperation Agreement, "Opposition Matter" means any of the following transactions, but only to the extent submitted by the Board to shareholders for approval: (A) the sale or transfer of all or substantially all of the Issuer's assets in one or a series of transactions; (B) the sale or transfer of a majority of the outstanding shares of the Issuer's Common Stock (through a merger, stock purchase, or otherwise); (C) any merger, consolidation, acquisition of control, or other business combination; (D) any tender or exchange offer; (E) any dissolution, liquidation, or reorganization; (F) any changes in the Issuer's capital structure (but excluding any proposals relating to the adoption, amendment or continuation of any equity plans); (G) any proposals relating to the Tax Benefits Plan (as defined in the Cooperation Agreement); or (H) any other transactions that would result in a Change of Control (as defined in the Cooperation Agreement) of the Issuer. The Investor Group also irrevocably withdrew its (i) Nomination Notice delivered to the Issuer on February 23, 2018 and any and all amendments and supplements thereto and (ii) Shareholder Inspection Demand delivered to the Issuer on March 12, 2018, pursuant to Section 1508 of the Pennsylvania Business Corporation Law, as amended.

The Investor Group also agreed to certain standstill provisions from the date of the Cooperation Agreement until 11:59 p.m., Eastern Time, on the date that is the earlier of (i) ten (10) calendar days prior to the expiration of the advance notice period for the submission by shareholders of director nominations for consideration at the 2019 Annual Meeting and (ii) one hundred (100) calendar days prior to the first anniversary of the 2018 Annual Meeting (the "Standstill Period"). The standstill provisions generally prohibit the Investor Group and its Affiliates (as defined in the Cooperation Agreement) from taking specified actions during the Standstill Period with respect to the Issuer and its securities, including, among others: (i) soliciting or participating in any solicitation of proxies or written consents to vote any voting securities of the Issuer, (ii) conducting any non-binding referendum with respect to any voting securities of the Issuer; (iii) joining any other "group" for purposes of Section 13(d) of the Exchange Act or becoming party to any voting arrangement or agreement; (iv) seeking or encouraging others to submit nominations for the election or removal of directors; (v) seeking, alone or in concert with others, representation on the Board, except as expressly permitted by the Cooperation Agreement; (vi) advising, encouraging or influencing any person with respect to the voting of or disposition of any securities of the Issuer; (vii) making shareholder proposals at any annual or special meeting of shareholders; (viii) calling, or supporting another shareholder's call of, any meeting of shareholders; (ix) initiating, encouraging or participating in any "vote no," "withhold" or similar campaign relating to the Issuer; (x) acquiring any additional securities of the Issuer or any rights decoupled from the underlying securities of the Issuer representing in the aggregate in excess of ten percent (10%) of the shares of Common Stock then outstanding, provided that any such additional share acquisitions can only be made to the extent that the Issuer was to determine to grant the Investor Group a waiver or exemption under the Tax Benefits Plan; or (xi) publicly announce or otherwise publicly disclose an intent to propose or enter into or agree to enter into, singly or with any other person, directly or indirectly, any form of business combination or acquisition or other transaction relating to a material amount of assets

or securities of the Issuer or any of its subsidiaries.

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**Item 5. Interest in Securities of the Issuer.**

Items 5(a) –(c) are hereby amended and restated to read as follows:

The percentages used herein are calculated based upon 20,566,680 shares of Common Stock issued and outstanding as of March 2, 2018, as reported in the Annual Report on Form 10-K filed by the Issuer with the SEC on March 7, 2018.

As of the close of business on April 24, 2018:

1. HCM

(a) Amount beneficially owned: 1,045,870\*

(b) Percent of class: 5.1% \*

(i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 1,045,870\*

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 1,045,870\*

2. Mr. Manko

(a) Amount beneficially owned: 1,045,870\*

(b) Percent of class: 5.1% \*

(i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 1,045,870\*

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 1,045,870\*

3. MAIM

(a) Amount beneficially owned: 1,022,665\*

(b) Percent of class: 5.0% \*

(i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 1,022,665\*

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 1,022,665\*

4. MP

(a) Amount beneficially owned: 1,022,665\*

(b) Percent of class: 5.0% \*

(i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 1,022,665\*

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 1,022,665\*

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5. Mr. Wallis

- (a) Amount beneficially owned: 1,022,665\*
- (b) Percent of class: 5.0% \*
- (i) Sole power to vote or direct the vote: 0
- (ii) Shared power to vote or direct the vote: 1,022,665\*
- (iii) Sole power to dispose or direct the disposition: 0
- (iv) Shared power to dispose or direct the disposition: 1,022,665\*

6. HCP

- (a) Amount beneficially owned: 741,148\*
- (b) Percent of class: 3.6%\*
- (i) Sole power to vote or direct the vote: 0
- (ii) Shared power to vote or direct the vote: 741,148\*
- (iii) Sole power to dispose or direct the disposition: 0
- (iv) Shared power to dispose or direct the disposition: 741,148\*

7. Sierra

- (a) Amount beneficially owned: 707,845\*
- (b) Percent of class: 3.4%\*
- (i) Sole power to vote or direct the vote: 0
- (ii) Shared power to vote or direct the vote: 707,845\*
- (iii) Sole power to dispose or direct the disposition: 0
- (iv) Shared power to dispose or direct the disposition: 707,845\*

8. MGP

- (a) Amount beneficially owned: 707,845\*
- (b) Percent of class: 3.4%\*
- (i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 707,845\*

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 707,845\*

9. HCPF

(a) Amount beneficially owned: 33,303\*

(b) Percent of class: Less than 1%\*

(i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 33,303\*

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 33,303\*

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10. AVI

- (a) Amount beneficially owned: 10,098\*
- (b) Percent of class: Less than 1%\*
- (i) Sole power to vote or direct the vote: 0
- (ii) Shared power to vote or direct the vote: 10,098\*
- (iii) Sole power to dispose or direct the disposition: 0
- (iv) Shared power to dispose or direct the disposition: 10,098\*

11. MAGP

- (a) Amount beneficially owned: 10,098\*
- (b) Percent of class: Less than 1%\*
- (i) Sole power to vote or direct the vote: 0
- (ii) Shared power to vote or direct the vote: 10,098\*
- (iii) Sole power to dispose or direct the disposition: 0
- (iv) Shared power to dispose or direct the disposition: 10,098\*

12. Mr. Glass

- (a) Amount beneficially owned: 0
- (b) Percent of class: 0%
- (i) Sole power to vote or direct the vote: 0
- (ii) Shared power to vote or direct the vote: 0
- (iii) Sole power to dispose or direct the disposition: 0
- (iv) Shared power to dispose or direct the disposition: 0

13. Mr. Lubert



(a) Amount beneficially owned: 0

(b) Percent of class: 0%

(i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 0

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 0

14. Mr. McNulty

(a) Amount beneficially owned: 0

(b) Percent of class: 0%

(i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 0

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 0

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\*Sierra owns directly 707,845 shares of Common Stock. Pursuant to investment management agreements, HCM and MAIM maintain investment and voting power with respect to the securities held by Sierra. However, despite the delegation of investment and voting power to HCM and MAIM, HCP and MGP may be deemed to be the beneficial owners of such securities under Rule 13d-3 of the Act because HCP and MGP have the right to acquire investment and voting power through termination of investment management agreements with HCM and MAIM. HCPF owns directly 33,303 shares of Common Stock, including 100 shares that are held in record name. Pursuant to investment management agreements, HCM maintains investment and voting power with respect to the securities held by HCPF. However, despite the delegation of investment and voting power to HCM, HCP may be deemed to be the beneficial owner of such securities under Rule 13d-3 of the Act because HCP has the right to acquire investment and voting power through termination of investment management agreements with HCM. AVI owns directly 10,098 shares of Common Stock. Pursuant to investment management agreements, MAIM maintains investment and voting power with respect to the securities held by AVI. However, despite the delegation of investment and voting power to MAIM, MAGP may be deemed to be the beneficial owner of such securities under Rule 13d-3 of the Act because MAGP has the right to acquire investment and voting power through termination of investment management agreements with MAIM. HCM and MAIM also act as investment advisers to certain jointly managed accounts. Under investment management agreements with these jointly managed account clients, HCM and MAIM have investment and voting power with respect to 304,722 shares of Common Stock held in the client managed accounts. HCP and MGP are the general partners for Sierra. MAGP is the general partner of AVI. HCP is the general partner of HCPF. Mr. Manko is the managing member of HCM and HCP. MP is the parent company of MGP, MAIM and MAGP. Mr. Wallis is the managing member of MP, MGP, MAGP, and MAIM. By reason of the provisions of Rule 13d-3 of the Act, (i) each of MP, Mr. Wallis and MAIM may be deemed to beneficially own 1,022,665 shares of Common Stock held by AVI, Sierra and the managed accounts, (ii) each of HCM and Mr. Manko may be deemed to beneficially own 1,045,870 shares of Common Stock held by HCP, Sierra and the managed accounts, (iii) HCP may be deemed to beneficially own 741,148 shares of Common Stock held by HCPF and Sierra, (iv) MGP may be deemed to beneficially own 707,845 shares of Common Stock held by Sierra, (v) MAGP may be deemed to beneficially own 10,098 shares of Common Stock held by AVI, (vi) Mr. Glass does not beneficially own any shares of Common Stock, (vii) Mr. Lubert does not beneficially own any shares of Common Stock, and (viii) Mr. McNulty does not beneficially own any shares of Common Stock. The Reporting Persons collectively own an aggregate of 1,055,968 shares of Common Stock, constituting approximately 5.1% of the outstanding shares of Common Stock. Each of the Reporting Persons disclaims beneficial ownership of any of the securities covered by this Schedule 13D except to the extent of his or its pecuniary interest therein.

(c) The Reporting Persons have not entered into any transactions in the shares of Common Stock since the filing of Amendment No. 2 to the Schedule 13D.

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

Item 6 is hereby amended to add the following:

On April 23, 2018, the Investor Group and the Issuer entered into the Cooperation Agreement defined and described in Item 4 above and attached as Exhibit 99.1 hereto.

On April 24, 2018, the Reporting Persons entered into a Joint Filing Agreement in which the Reporting Persons who will remain Reporting Persons subsequent to this Amendment No. 3 agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to the securities of the Issuer to the extent required by applicable law. A copy of this agreement is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

**Item 7. Material to be Filed as Exhibits.**

Item 7 is hereby amended to add the following exhibits:

Exhibit 99.1 Cooperation Agreement, by and among Horton Capital Management, LLC, Joseph M. Manko Jr., Maplewood Partners, LLC, Maplewood Advisors IM, LLC, Darren C. Wallis, Horton Capital Partners, LLC, Sierra Investments, LP, Maplewood Global Partners, LLC, Horton Capital Partners Fund, LP, AVI Capital Partners, LP and Maplewood Advisors GP, LLC, dated April 23, 2018.

Exhibit 99.2 Joint Filing Agreement, by and among Horton Capital Management, LLC, Joseph M. Manko Jr., Maplewood Partners, LLC, Maplewood Advisors IM, LLC, Darren C. Wallis, Horton Capital Partners, LLC, Sierra Investments, LP, Maplewood Global Partners, LLC, Horton Capital Partners Fund, LP, AVI Capital Partners, LP and Maplewood Advisors GP, LLC, dated April 24, 2018.

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**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.

Dated: April 24, 2018 **HORTON CAPITAL  
MANAGEMENT, LLC**

By: /s/ Joseph M. Manko, Jr.  
Name: Joseph M. Manko, Jr.  
Title: Managing Member

/s/ Joseph M. Manko, Jr.  
**JOSEPH M. MANKO, JR.**

Individually and as attorney-in-fact for Russell D. Glass, Ira M. Lubert and Paul McNulty

**MAPLEWOOD  
PARTNERS, LLC**

By: /s/ Darren C. Wallis  
Name: Darren C. Wallis  
Title: Managing Member

**MAPLEWOOD  
ADVISORS IM, LLC**

By: /s/ Darren C. Wallis  
Name: Darren C. Wallis  
Title: Managing Member

/s/ Darren C. Wallis  
**DARREN C. WALLIS**

**HORTON CAPITAL  
PARTNERS, LLC**

By: /s/ Joseph M. Manko, Jr.  
Name: Joseph M. Manko, Jr.  
Title: Managing Member

**SIERRA CAPITAL INVESTMENTS, LP**

**By: Horton Capital Partners, LLC and Maplewood  
Global Partners, LLC, its General Partners**

By: /s/ Joseph M. Manko, Jr.  
Name: Joseph M. Manko, Jr.

Title: Managing Member, Horton Capital Partners, LLC

By: /s/ Darren C. Wallis  
Name: Darren C. Wallis  
Title: Managing Member, Maplewood Global Partners, LLC

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**MAPLEWOOD  
GLOBAL PARTNERS,  
LLC**

By: /s/ Darren C. Wallis

Name: Darren C. Wallis

Title: Managing Member

**HORTON CAPITAL  
PARTNERS FUND, LP**

**By: Horton Capital Partners,  
LLC, its General Partner**

By: /s/ Joseph M. Manko, Jr.

Name: Joseph M. Manko, Jr.

Title: Managing Member

**AVI CAPITAL  
PARTNERS, LP**

**By: Maplewood  
Advisors GP, LLC, its  
General Partner**

By: /s/ Darren C. Wallis

Name: Darren C. Wallis

Title: Managing Member

**MAPLEWOOD  
ADVISORS GP, LLC**

By: /s/ Darren C. Wallis

Name: Darren C. Wallis

Title: Managing Member