

Rubicon Technology, Inc.
Form DFAN14A
May 03, 2017

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 14a-12

RUBICON TECHNOLOGY, INC.

(Name of Registrant as Specified in its Charter)

PARAGON TECHNOLOGIES, INC.
GAD PARTNERS FUND LP
GAD CAPITAL MANAGEMENT LLC
HESHAM M. GAD
JACK H. JACOBS
DEBORAH R. MERTZ
SAMUEL S. WEISER

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

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Paragon Terminates Settlement Discussions with Rubicon – Remains Open to Constructive Dialogue to Appoint Mr. Gad to the Company’s Board

ATLANTA, GA, May 2, 2017 – Paragon Technologies, Inc. today announced that it has terminated its current settlement discussion with Rubicon. Ultimately, Paragon believes the current settlement discussions were not in the best interests of Paragon. Paragon continues to remain open in having discussions with Rubicon regarding a more appropriate settlement agreement.

A few months ago, Rubicon reached out to Mr. Hesham Gad, Chairman and CEO of Paragon, to reach a settlement agreement whereby Mr. Gad would be appointed a Strategic Advisor to the Board and assist the Company with its turnaround efforts.

For nearly two years, Mr. Gad has advocated a turnaround plan for Rubicon that included:

1. A curtailment of the Company’s declining sapphire operations
2. Sale of the Company’s real estate and other assets.
3. The strategic reallocation of the Company’s cash assets in a manner that could maximize the value of the Company’s NOL’s.

Earlier this year, Rubicon announced its intention to adopt such a plan and announced that they had made significant reductions in their sapphire operations. In addition, Rubicon indicated that it was selling assets as well as looking at strategic alternatives with respect to its cash assets. Paragon welcomed that approach. As such, Paragon was willing to consider a Strategic Advisory role in lieu of a board seat in an effort to begin a constructive and collaborative effort with Rubicon that Paragon felt was in the best interest of all stakeholders.

Unfortunately, after several rounds of discussions, Paragon has concluded that it is not in the best interest of Paragon or Rubicon shareholders to effectuate change from an advisory position given the intense nature of work involved in transforming Rubicon.

Paragon feels very strongly about its turnaround plan, which now appears to be adopted by Rubicon, to be the best path forward for Rubicon. As a result, we now believe that Mr. Gad's presence on the Board to be critically important and an important catalyst for the Company. We remain open to constructive discussions and desire a collaborative working relationship with management and the board in turning Rubicon into a sustainable and profitable business.

In the absence of a satisfactory agreement with Rubicon, Paragon will consider its options with respect to the 2018 annual meeting of shareholders, at which time it is expected that Rubicon's board will be de-staggered and all directors will stand for reelection at the same time.