

INSIGNIA SYSTEMS INC/MN  
Form SC 13D/A  
December 07, 2015

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. 2)1

Insignia Systems, Inc.  
(Name of Issuer)

Common Stock, par value \$0.01 per share  
(Title of Class of Securities)

45765Y105  
(CUSIP Number)

Sardar Biglari  
Biglari Capital Corp.  
17802 IH 10 West, Suite 400  
San Antonio, Texas 78257  
(210) 344-3400

Steve Wolosky, Esq.  
Olshan Frome Wolosky LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

December 5, 2015  
(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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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).

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CUSIP NO. 45765Y105

1 NAME OF REPORTING PERSON

The Lion Fund II, L.P.

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 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
		2,313,200
	8	SHARED VOTING POWER
		-0-
	9	SOLE DISPOSITIVE POWER
		2,313,200
	10	SHARED DISPOSITIVE POWER
		-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,313,200

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

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

19.9%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 45765Y105

1 NAME OF REPORTING PERSON

Biglari Capital Corp.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Texas

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		2,313,200
	8	SHARED VOTING POWER
		-0-
	9	SOLE DISPOSITIVE POWER
		2,313,200
	10	SHARED DISPOSITIVE POWER
		-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,313,200

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

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

19.9%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 45765Y105

1 NAME OF REPORTING PERSON

Sardar Biglari

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX 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 EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		2,313,200
	8	SHARED VOTING POWER
		-0-
	9	SOLE DISPOSITIVE POWER
		2,313,200
	10	SHARED DISPOSITIVE POWER
		-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,313,200

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

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

19.9%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 45765Y105

The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned (“Amendment No. 2”). This Amendment No. 2 amends the Schedule 13D as specifically set forth herein.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On December 5, 2015, the Issuer, the Reporting Persons, Philip L. Cooley and certain other parties entered into a standstill agreement (the “Agreement”). The following description of the Agreement is qualified in its entirety by reference to the Agreement, which is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Pursuant to the terms of the Agreement, the Issuer agreed to increase the size of its Board of Directors (the “Board”) by two directors and elect Sardar Biglari and Philip L. Cooley as directors within five business days of the date of the Agreement. The Issuer also agreed to include Messrs. Biglari and Cooley as nominees for election at the Issuer’s 2016 annual meeting of shareholders (the “2016 Annual Meeting”). The Reporting Persons agreed to vote the Shares beneficially owned by them in favor of all directors nominated by the Board for election at the 2016 Annual Meeting and for the other matters to be presented at such meeting, and also agreed to customary standstill provisions until the conclusion of the 2016 Annual Meeting.

Item 5. Interest in Securities of the Issuer.

Item 5(a - b) is hereby amended and restated as follows:

(a - b) The aggregate percentage of Shares reported owned by the Reporting Persons is based upon 11,638,403 Shares outstanding, which is the total number of Shares outstanding as of October 26, 2015, as reported in the Issuer’s quarterly report on Form 10-Q filed with the Securities and Exchange Commission on October 29, 2015.

As of the close of business on December 7, 2015, the Lion Fund II owned directly 2,313,200 Shares, constituting approximately 19.9% of the Shares outstanding. By virtue of their relationships with the Lion Fund II discussed in further detail in Item 2, each of BCC and Sardar Biglari may be deemed to beneficially own the Shares owned by the Lion Fund II.

The filing of this Schedule 13D shall not be deemed an admission that any of the Reporting Persons is, for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, the beneficial owner of any Shares he or it does not directly own. Each of the Reporting Persons specifically disclaims beneficial ownership of the Shares reported herein that he or it does not directly own.

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

Item 6 is hereby amended to add the following:

On December 5, 2015, the Reporting Persons, the Issuer and the other parties thereto entered into the Agreement defined and described in Item 4 above and attached as Exhibit 99.1 hereto.

CUSIP NO. 45765Y105

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following exhibit:

99.1 Standstill Agreement, dated as of December 5, 2015

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CUSIP NO. 45765Y105

SIGNATURE

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

December 7, 2015  
(Date)

THE LION FUND II, L.P.

By: BIGLARI CAPITAL CORP., its General  
Partner

By: /s/ Sardar Biglari

Name: Sardar Biglari  
Title: Chairman and Chief  
Executive Officer

BIGLARI CAPITAL CORP.

By: /s/ Sardar Biglari

Name: Sardar Biglari  
Title: Chairman and Chief Executive Officer

/s/ Sardar Biglari  
SARDAR BIGLARI

