NOVATION COMPANIES, INC.

Form 4 July 22, 2015

### FORM 4

### UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB Number:

3235-0287

Expires:

January 31, 2005

0.5

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**OMB APPROVAL** 

response...

subject to Section 16. Form 4 or Form 5 obligations may continue.

See Instruction

Check this box

if no longer

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person \*

(First)

Eberwein Jeffrey E.

2. Issuer Name and Ticker or Trading

Symbol

5. Relationship of Reporting Person(s) to

Issuer

NOVATION COMPANIES, INC.

[NOVC]

(Check all applicable)

(Last)

3. Date of Earliest Transaction

(Month/Day/Year)

\_X\_\_ Director 10% Owner \_ Other (specify Officer (give title

6. Individual or Joint/Group Filing(Check

below)

53 FOREST AVENUE, 1ST FLOOR 07/20/2015

(Street)

(Middle)

4. If Amendment, Date Original Filed(Month/Day/Year)

Applicable Line)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

Person

OLD GREENWICH, CT 06870

(City)	(State)	(Zip) Tab	ole I - Non-	Derivative	Secu	rities Acqu	ired, Disposed of	f, or Beneficia	ally Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)	4. Securit or Dispos (Instr. 3, 4	ed of		5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	07/20/2015		P(1)	13,500	A	\$ 0.3083 (2)	1,313,366	I	By Lone Star Value Investors, LP (3)
Common Stock	07/20/2015		P <u>(1)</u>	1,500	A	\$ 0.3083 (2)	73,599	I	By Separately Managed Account (4)
Common Stock	07/21/2015		P <u>(1)</u>	13,500	A	\$ 0.304 (5)	1,326,866	I	By Lone Star Value Investors, LP (3)

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Common Stock	07/21/2015	P(1)	1,500	A	\$ 0.304 75,099	I	Separately Managed Account (4)
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

#### Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Title ar	nd	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orNumber	Expiration D	ate	Amount of	of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underlyin	ng	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivativ	e		Securities	S	(Instr. 5)	Bene
	Derivative				Securities	3		(Instr. 3 a	and 4)		Own
	Security				Acquired						Follo
					(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
								Λn	nount		
								or			
						Date	Expiration		ımber		
						Exercisable	Date	of			
				Code V	(A) (D)				ares		

## **Reporting Owners**

Reporting Owner Name / Address	Relationships							
	Director	10% Owner	Officer	Other				
Eberwein Jeffrey E.								
53 FOREST AVENUE, 1ST FLOOR	X							

53 FOREST AVENUE, 1ST FLOOR OLD GREENWICH, CT 06870

### **Signatures**

/s/ Rodney E. Schwatken, Attorney-In-Fact for Jeffrey E. 07/22/2015 Eberwein

> \*\*Signature of Reporting Person Date

# **Explanation of Responses:**

- If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- The purchases of shares reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan entered into by Lone Star Value **(1)** Management, LLC on behalf of Lone Star Value Investors, LP and similarly managed funds and accounts on May 13, 2015.

**(2)** 

Reporting Owners 2

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The price reported is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$0.305 to \$0.309. The reporting person undertakes to provide the Securities and Exchange Commission, upon request, further information regarding the number of shares purchased at each separate price such shares were purchased.

- Shares owned directly by Lone Star Value Investors, LP ("Lone Star Value Investors"). Mr. Eberwein, solely by virtue of his position as the manager of Lone Star Value Investors GP, LLC, the general partner of Lone Star Value Investors, and as the sole member of Lone
- (3) Star Value Management, LLC ("Lone Star Value Management"), the investment manager of Lone Star Value Investors, may be deemed to beneficially own the shares owned directly by Lone Star Value Investors for purposes of Section 16. Mr. Eberwein expressly disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein.
  - Shares held in an account separately managed by Lone Star Value Management (the "Separately Managed Account I"). Lone Star Value Management, as the investment manager of the Separately Managed Account I, may be deemed to beneficially own the shares of Common Stock held in the Separately Managed Account I; and Jeffrey Eberwein, as the sole member of Lone Star Value Management
- (4) may be deemed to beneficially own the shares of Common Stock held in the Separately Managed Account I for purposes of Section 16. Mr. Eberwein expressly disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein. The reporting person undertakes to provide the Securities and Exchange Commission, upon request, the underlying identity of the separately managed account.
- The price reported is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$0.3039 to \$0.3040. The reporting person undertakes to provide the Securities and Exchange Commission, upon request, further information regarding the number of shares purchased at each separate price such shares were purchased.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.