

POTBELLY CORP  
Form SC 13D/A  
March 21, 2018

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(RULE 13D-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a) AND  
AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)

(Amendment No. 3)\*

Potbelly Corporation  
(Name of Issuer)

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

73754Y100  
(CUSIP Number)

Christopher P. Davis, Esq.  
Kleinberg, Kaplan, Wolff & Cohen, P.C.  
551 Fifth Avenue, New York, New York 10176  
(212) 986-6000

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

March 21, 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 which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 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 Rule 13d-7 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 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).

1 NAMES OF REPORTING PERSONS

Privet Fund LP

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

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (see Instructions)

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

SOLE VOTING POWER 0

7

NUMBER OF SHARES8 BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

SHARED VOTING POWER 1,269,612

SOLE DISPOSITIVE POWER 0

10

SHARED DISPOSITIVE POWER 1,269,612

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,269,612

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

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT  
IN ROW (11)  
5.1%

14 TYPE OF REPORTING  
PERSON (see Instructions)  
PN

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1 NAMES OF REPORTING PERSONS  
Privet Fund Management LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS (see  
Instructions)

5 WC, AF  
CHECK IF DISCLOSURE OF  
LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM  
2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF  
ORGANIZATION  
Delaware  
SOLE VOTING POWER  
7 0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
1,294,112

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
101,294,112

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON  
1,294,112

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

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN

ROW (11)

5.2%

TYPE OF REPORTING PERSON

(see Instructions)

OO

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14

NAMES OF REPORTING  
PERSONS

1

Ryan Levenson

2

CHECK THE APPROPRIATE BOX  
IF A MEMBER OF A GROUP (see  
Instructions)

(a)

(b)

3

SEC USE ONLY

4

SOURCE OF FUNDS (see  
Instructions)

5

AF  
CHECK 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  
SOLE VOTING POWER

7 0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

SHARED VOTING POWER

8 1,294,112

SOLE DISPOSITIVE POWER

9 0

SHARED DISPOSITIVE POWER

101,294,112

11

AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON  
1,294,112

12

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

13

PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)  
5.2%

TYPE OF REPORTING PERSON  
(see Instructions)  
IN

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14

The following constitutes Amendment No. 3 to the Schedule 13D filed by the undersigned (the "Amendment No. 3"). This Amendment No. 3 amends the Schedule 13D as specifically set forth herein.

Item 4. Purpose of the Transaction

Item 4 is hereby amended to add the following:

On March 21, 2018, Privet Fund Management LLC ("Privet") delivered a letter (the "March 21 Letter") to the Issuer's Chairman, Peter Bassi, and the Issuer's Board of Directors (the "Board"). In the March 21 Letter, Privet expressed its disappointment, among other things, that the Issuer has not meaningfully engaged in discussions with Privet that could potentially result in a negotiated settlement to avoid a contested shareholder vote at the upcoming annual meeting. Privet further urged the Issuer not to pursue entrenching tactics such as unilaterally adding directors to the Board, as Privet believes this would be viewed negatively by the Issuer's shareholders. Finally, Privet reiterated its willingness, at least for now, to enter into discussions with the Issuer concerning its slate of highly qualified and motivated candidates to the Board. The foregoing description of the March 21 Letter is qualified in its entirety by the March 21 Letter, a copy of which is attached hereto as Exhibit 99.3 and is incorporated herein by reference.

On March 21, 2018, Privet Fund LP also delivered to the corporate secretary of the Issuer a demand letter under Section 220 of the Delaware General Corporation law (the "Demand Letter") seeking disclosure of certain books and records of the Issuer to allow Privet to identify and communicate with other shareholders of the Issuer for proxy solicitation purposes. The foregoing description of the Demand Letter is qualified in its entirety by the Demand Letter, a copy of which is attached hereto as Exhibit 99.4 and is incorporated herein by reference.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to add the following:

Exhibit 99.3 – Letter dated March 21, 2018 from Privet Fund Management LLC to the Peter Bassi and the Board of Directors of Potbelly Corporation.

Exhibit 99.4 – Demand Letter dated March 21, 2018 from Privet Fund LP to Potbelly Corporation.

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

Dated: March 21, 2018

PRIVET FUND LP

By: Privet Fund Management LLC, Its Managing Partner

By: /s/ Ryan Levenson

Name: Ryan Levenson

Title: Sole Manager

PRIVET FUND MANAGEMENT LLC

By: /s/ Ryan Levenson

Name: Ryan Levenson

Title: Sole Manager

/s/ Ryan Levenson

Ryan Levenson