

SEMELE GROUP INC
Form SC 13D
May 20, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 7)*

Semele Group Inc.
(Name of Issuer)

Common Stock, \$.01 par value per share
(Title of Class of Securities)

8166 18 201
(CUSIP Number)

Gary D. Engle, President, Equis Financial Group
200 Nyala Farms, Westport, Connecticut 06880
(203) 341-0555

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

May 5, 2003
(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).

SCHEDULE 13D

1.	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Gary D. Engle
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2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [<input checked="" type="checkbox"/>] (b) [<input type="checkbox"/>]	
3.	SEC USE ONLY	
4.	SOURCE OF FUNDS OO	
5.	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [<input type="checkbox"/>]	
6.	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
	NUMBER OF SHARES	7. 736,794
		SOLE VOTING POWER
		736,794
	BENEFICIALLY OWNED BY	8. None
		SHARED VOTING POWER
		None
	EACH REPORTING PERSON WITH	9. 654,654
		SOLE DISPOSITIVE POWER
		654,654
		SHARED DISPOSITIVE POWER
		None
1.	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 736,794	
1.	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES [<input type="checkbox"/>]	
1.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 35.4%	
1.	TYPE OF REPORTING PERSON IN	

SCHEDULE 13D

	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON	
1.	AFG Hato Arrow Limited Partnership I.R.S. I.D. No. 04-3144610	
2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [<input checked="" type="checkbox"/>] (b) [<input type="checkbox"/>]	
3.	SEC USE ONLY	
4.	SOURCE OF FUNDS	
5.	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [<input type="checkbox"/>]	
6.	CITIZENSHIP OR PLACE OF ORGANIZATION Massachusetts	
	NUMBER OF SHARES	SOLE VOTING POWER
	7.	63,544
	BENEFICIALLY OWNED BY	SHARED VOTING POWER
	8.	None
	EACH REPORTING PERSON WITH	SOLE DISPOSITIVE POWER
	9.	63,544
	1.	SHARED DISPOSITIVE POWER
		None

	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1.	63,544
	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
1.	<input type="checkbox"/>
	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
1.	3.1%
	TYPE OF REPORTING PERSON
1.	PN

SCHEDULE 13D

	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1.	AFG Dove Arrow Limited Partnership I.R.S. I.D. No. 04-3140602
	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
2.	
	SEC USE ONLY
3.	
	SOURCE OF FUNDS
4.	
	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>
5.	
	CITIZENSHIP OR PLACE OF ORGANIZATION

6.	Massachusetts	
	NUMBER OF SHARES	7. 61,673
		SOLE VOTING POWER
		61,673
	BENEFICIALLY OWNED BY	8. None
		SHARED VOTING POWER
		None
	EACH REPORTING PERSON WITH	9. 61,673
		SOLE DISPOSITIVE POWER
		61,673
		SHARED DISPOSITIVE POWER
		None
1.	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	61,673	
1.	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES []	
1.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
	3.0%	
1.	TYPE OF REPORTING PERSON	
	PN	

SCHEDULE 13D

1.	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON AIP/Larkfield Limited Partnership I.R.S. I.D. No. 04-3082082
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2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) [<input checked="" type="checkbox"/>] (b) [<input type="checkbox"/>]	
3.	SEC USE ONLY	
4.	SOURCE OF FUNDS	
5.	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [<input type="checkbox"/>]	
6.	CITIZENSHIP OR PLACE OF ORGANIZATION Massachusetts	
	NUMBER OF SHARES	7. 73,483
	BENEFICIALLY OWNED BY	8. SHARED VOTING POWER None
	EACH REPORTING PERSON WITH	9. SOLE DISPOSITIVE POWER 73,483
		1. SHARED DISPOSITIVE POWER None
1.	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 73,483	
1.	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES [<input type="checkbox"/>]	
1.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.5%	
1.	TYPE OF REPORTING PERSON PN	

SCHEDULE 13D

Item 1. Security and Issuer

This statement on Schedule 13D relates to the Common Stock, \$.01 par value per share (the **Common Stock**), of Semele Group Inc., a Delaware corporation (**Semele**). The principal executive offices of Semele are located at 200 Nyala Farms, Westport, Connecticut 06880.

Item 2. Identity and Background

This statement is filed by the following four reporting persons (collectively, the **Reporting Persons**, and individually, a **Reporting Person**):

1. Gary D. Engle. Mr. Engle is Chairman and Chief Executive Officer of Semele. Mr. Engle is also President and Chief Executive Officer of Equis Corporation, the general partner of Equis Financial Group Limited Partnership, a Massachusetts limited partnership (**Equis**), and Chairman and a Director of PLM International, Inc. (**PLM**). Both Equis and PLM are engaged primarily in the business of managing leased assets and funds holding leased assets. Mr. Engle's business address is 200 Nyala Farms, Westport, Connecticut 06880. Mr. Engle is a U.S. citizen.

2. AFG Hato Arrow Limited Partnership (**Hato**), a Massachusetts limited partnership. Hato is a special purpose limited partnership whose assets consist of Semele Common Stock and a note receivable from Semele. The sole general partner of Hato is PYB Corporation (**PYB**), a Massachusetts corporation which serves as a general partner of a number of limited partnerships. The principal place of business and principal office of Hato and PYB are located at 1050 Waltham Street, Lexington, Massachusetts 02421. The chief executive officer of PYB is Mr. Engle, and Geoffrey A. MacDonald and Mr. Engle are the directors of PYB. PYB is controlled by Mr. Engle. Mr. MacDonald is Chairman of Equis Corporation. Mr. MacDonald's business address is 1050 Waltham Street, Lexington, Massachusetts 02421. Mr. MacDonald is a U.S. citizen.

3. AFG Dove Arrow Limited Partnership (**Dove**), a Massachusetts limited partnership. Dove is a special purpose limited partnership whose assets consist of Semele Common Stock and a note receivable from Semele. The sole general partner of Dove is PYB. The principal place of business and principal office of Dove are located at 1050 Waltham Street, Lexington, Massachusetts 02421.

4. AIP/Larkfield Limited Partnership (**Larkfield**), a Massachusetts limited partnership. Larkfield is a special purpose limited partnership whose assets consist of Semele Common Stock and a note receivable from Semele. The sole general partner of Larkfield is PYB. The principal place of business and principal office of Larkfield are located at 1050 Waltham Street, Lexington, Massachusetts 02421

During the last five years, none of the Reporting Persons nor, to the best knowledge of the Reporting Persons, any of the other persons named in this Item 2 (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration

See Item 4.

Item 4. Purpose of Transaction

On May 5, 2003, Mr. Engle, jointly with James A. Coyne, President and Chief Operating Officer of Semele, proposed the acquisition of substantially all of the outstanding shares of Semele Common Stock not beneficially owned by them or their affiliates (Management) for a cash purchase price of \$1.20 per share. Management currently contemplates that the acquisition of the shares will take the form of a cash out merger with a newly formed entity controlled by Management (the Buyer) in which substantially all shares will be converted into the right to receive \$1.20 per share (subject to applicable withholding taxes), without interest. The Buyer would only consummate the transaction contemplated by the proposal following a favorable recommendation to Semele's stockholders by a Special Committee of Semele's Board of Directors. The proposal is not contingent on any financing conditions.

Depending on the response of the Special Committee to the proposal, and other factors deemed relevant by Management, Management may formulate other plans and/or make other proposals, and take such actions with respect to Management's investment in Semele, as they may determine to be appropriate. Management may also amend or withdraw the proposal at any time in their sole discretion.

The proposal is merely an expression of interest and is not intended to be legally binding in any way. If an offer is made, it will be made in accordance with all applicable securities laws and will involve the filing of appropriate materials with the Securities and Exchange Commission and the mailing of appropriate materials to the public stockholders of Semele.

Item 5. Interest in Securities of the Issuer

As of the date of this statement, Mr. Engle beneficially owns 736,794 shares of Semele Common Stock, representing approximately 35.4% of the outstanding shares of Semele Common Stock, Hato beneficially owns 63,544 shares of Semele Common Stock, representing approximately 3.1% of the outstanding shares of Semele Common Stock, Dove beneficially owns 61,673 shares of Semele Common Stock, representing approximately 3.0% of the outstanding shares of Semele Common Stock, and Larkfield beneficially owns 73,483 shares of Semele Common Stock, representing approximately 3.5% of the outstanding shares of Semele Common Stock. The shares beneficially owned by Mr. Engle include 1,100 shares owned directly, 82,140 shares owned by the trustee of a rabbi trust for the benefit of Mr. Engle, which represent salary deferred by Mr. Engle through December 31, 2000, 454,854 shares owned indirectly through a family corporation controlled by Mr. Engle and the aggregate of 198,700 shares owned by Hato, Dove and Larkfield, which Mr. Engle is deemed to beneficially own because he has effective control over those partnerships. Mr. Engle disclaims beneficial ownership of all the shares he owns indirectly through the family corporation, except to the extent that he has a pecuniary interest in such shares under Section 16(a) of the Act. Mr. Engle disclaims beneficial ownership of all the shares owned by Hato, Dove and Larkfield, except to the extent that he has a pecuniary interest in such shares under Section 16(a) of the Act. Hato disclaims beneficial ownership of the shares of Semele Common Stock owned by Mr. Engle, Dove or Larkfield, Dove disclaims beneficial ownership of the shares of Semele Common Stock owned by Mr. Engle, Hato or Larkfield and Larkfield disclaims beneficial ownership of the shares of Semele Common Stock owned by Mr. Engle, Hato or Dove.

Mr. Engle has the sole power to vote and dispose of, or to direct the vote and disposition of, the 455,954 shares of Semele Common Stock owned by him directly and indirectly through the family corporation. Mr. Engle has the sole power to vote or to direct the vote of the 82,140 shares of Semele Common Stock owned by the trustee of the rabbi trust, and no power to dispose of or to direct the disposition of such shares. Because Mr. Engle has effective control over Hato, Dove and Larkfield, he may be deemed to have the sole power to vote and dispose of, or to direct the vote and disposition of, the 198,700 shares of Semele Common Stock owned by those partnerships. Each of Hato, Dove

and Larkfield has the sole power to vote and dispose of, or to direct the vote and disposition of, the shares of Semele Common Stock owned by it.

There have been no transactions in Semele Common Stock by any Reporting Person, or, to the best knowledge of the Reporting Persons, by any of the other persons identified in Item 2 above, during the 60-day period prior to the date of this statement.

Except for the respective partners comprising each of Hato, Dove and Larkfield, the trustee of the rabbi trust for the benefit of Mr. Engle and the stockholders of the family corporation, no other person is known to have the right to receive or the power to direct the receipt of dividends from the Semele Common Stock owned by any Reporting Person. Except for the respective partners comprising each of Hato, Dove and Larkfield, the trustee of the rabbi trust for the benefit of Mr. Engle and the stockholders of the family corporation, no other person is known to have the right to receive or the power to direct the receipt of the proceeds from the sale of the Semele Common Stock owned by any Reporting Person.

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

Of the shares beneficially owned by Mr. Engle, 82,140 shares are held by the trustee of a rabbi trust for the benefit of Mr. Engle. These shares represent Mr. Engle's salary from Semele through 2000, which he elected to defer. Shares in the rabbi trust attributable to Mr. Engle's salary are not subject to forfeiture. Shares in the rabbi trust attributable to any bonus from Semele deferred by Mr. Engle are forfeited and returned to Semele if Semele terminates Mr. Engle's employment for cause. Shares held in the rabbi trust for the benefit of Mr. Engle will be distributed to him on termination of employment, except that if Semele Common Stock is not then readily tradeable, Semele will redeem the shares in installments within three years at fair market value.

Item 7. Material to Be Filed as Exhibits

1. Joint Filing Agreement dated May 14, 2003, among the Reporting Persons.
2. Letter dated May 5, 2003, from Gary D. Engle and James A. Coyne relating to the proposed acquisition of Semele Group Inc.

SCHEDULE 13D

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.

May 20, 2003 /s/ Gary D. Engle _____
Gary D. Engle

AFG HATO ARROW LIMITED PARTNERSHIP
By: PYB Corporation, its General

Partner

May 20, 2003 By: /s/ Gary D. Engle _____
Gary D. Engle, President

AFG DOVE ARROW LIMITED PARTNERSHIP

By: PYB Corporation, its General
Partner

May 20, 2003 By: /s/ Gary D. Engle _____
Gary D. Engle, President

AIP/LARKFIELD LIMITED PARTNERSHIP

By: PYB Corporation, its General
Partner

May 20, 2003 By: /s/ Gary D. Engle _____
Gary D. Engle, President

SCHEDULE 13D

EXHIBIT INDEX

Exhibit	Page Number
1. Joint Filing Agreement dated May 14, 2003, among the Reporting Persons.	12
2. Letter dated May 5, 2003, from Gary D. Engle and James A. Coyne relating to the proposed acquisition of Semele Group Inc.	13

Exhibit 1

JOINT FILING AGREEMENT

As required by Rule 13d-1(k) of the General Rules and Regulations under the Securities Exchange Act of 1934, we hereby agree that the statement on Schedule 13D to which this Agreement is an Exhibit is filed on behalf of each of us.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of each of us as of May 14, 2003.

/s/ Gary D. Engle _____
Gary D. Engle

AFG HATO ARROW LIMITED PARTNERSHIP
By: PYB Corporation, its General
Partner

By: /s/ Gary D. Engle _____
Gary D. Engle, President

AFG DOVE ARROW LIMITED PARTNERSHIP
By: PYB Corporation, its General
Partner

By: /s/ Gary D. Engle _____
Gary D. Engle, President

AIP/LARKFIELD LIMITED PARTNERSHIP
By: PYB Corporation, its General
Partner

By: /s/ Gary D. Engle _____
Gary D. Engle, President

Exhibit 2

Gary D. Engle
James A. Coyne
200 Nyala Farm Rd.
Westport, CT 06880

May 5, 2003

Mr. Walter Auch
Mr. Joseph Bartlett
Mr. Robert Ungerleider
Semele Group Inc.

Re: Proposed Acquisition of Semele Group Inc.

Dear Messrs. Auch, Ungerlieder and Bartlett:

We are pleased to propose the acquisition of substantially all of the outstanding shares of common stock of Semele Group Inc. (the "Company") not beneficially owned by us or our affiliates ("Management") for a cash purchase price of \$1.20 per share (the "Per Share Amount"). The last reported sale of Semele's common stock was \$0.91.

It is currently contemplated that the acquisition of such shares would take the form of a cash out merger with a newly formed entity controlled by Management (Buyer) where substantially all shares will be converted into the right to receive the Per Share Amount (subject to applicable withholding taxes), without interest. Buyer and Semele would only consummate the transaction contemplated by our proposal following a favorable recommendation to the Company s shareholders by a Special Committee of the Board of Directors. The proposal is not contingent on any financing conditions.

We request that the Special Committee of the Board of Directors, together with its financial and legal advisors, proceed to evaluate the fairness of this proposal for purposes of the Special Committee making a recommendation with respect to the proposal. We are prepared to meet with you and your financial and legal advisers at your convenience to review our proposal at the earliest possible date.

Depending on the response of the Special Committee to this proposal, and other factors deemed relevant by us, we may formulate other plans and/or make other proposals, and take such actions with respect to our investment in the Company, as we may determine to be appropriate. We may also amend or withdraw this proposal at any time at our sole discretion.

Our proposal is merely an expression of interest and is not intended to be legally binding in any way. If an offer were to be made, it would be made in accordance with all applicable securities laws and would involve the filing of appropriate materials with the Securities and Exchange Commission and the mailing of appropriate materials to the public shareholders of the Company.

Please be advised that we intend to disclose this proposal in an amendment to our Schedule 13D relating to shares of the Company's common stock currently owned by our affiliates, and us as required by law.

We appreciate your consideration of this proposal and look forward to your response.

Very truly yours,
Gary D. Engle
James A. Coyne

Cc: Michael Choate, Shefsky & Froelich Ltd.