

ADCARE HEALTH SYSTEMS, INC  
 Form 4  
 January 29, 2016

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Fox Michael J

2. Issuer Name and Ticker or Trading Symbol  
 ADCARE HEALTH SYSTEMS, INC [ADK]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 01/27/2016

Director  10% Owner  
 Officer (give title below)  Other (specify below)

C/O PARK CITY CAPITAL, LLC, 200 CRESCENT COURT, SUITE 1575

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

DALLAS, TX 75201

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock                    | 01/27/2016                           |  | A                              | V<br>Amount<br>36,232<br>(1) (2)                                  | (A)<br>or<br>(D)<br>Price<br>\$ 0   | 36,232   | D                                 |
| Common Stock                    |                                      |  |                                |   | 750,000 (3) (4)   | I  | By Park City Capital, LLC         |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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 Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Beneficially (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares                                       |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| Fox Michael J<br>C/O PARK CITY CAPITAL, LLC<br>200 CRESCENT COURT, SUITE 1575<br>DALLAS, TX 75201 | X             |           |         |       |
| Park City Capital, LLC<br>200 CRESCENT COURT, SUITE 1575<br>DALLAS, TX 75201                      | X             |           |         |       |

## Signatures

/s/ Michael J. Fox 01/29/2016  
\*\*Signature of Reporting Person Date

PARK CITY CAPITAL, LLC, /s/ Michael J. Fox,  
 Manager 01/29/2016  
\*\*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).
- (1) Restricted stock granted pursuant to the AdCare Health Systems, Inc.'s 2011 Stock Incentive Plan and in respect of 2016 compensation.
- (2) The shares of restricted stock will vest on the following schedule: (1) 12,077 shares on January 27, 2017, (2) 12,077 shares of January 27, 2018; and (3) 12,078 shares on January 27, 2019.

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As the managing member of Park City Capital, LLC, Mr. Fox may be deemed to have beneficial ownership of the shares held by Park

(3) City Capital Offshore Master, Ltd. and Park City Special Opportunity Fund, LP, with respect to which Park City Capital, LLC, the investment manager to the funds, may be deemed to have beneficial ownership.

(4) Does not include warrants and convertible notes.

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.