

API Technologies Corp.  
Form SC 13D  
March 12, 2014

**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. )<sup>1</sup>

API Technologies Corp.

(Name of Issuer)

Common Stock, par value \$0.001

(Title of Class of Securities)

00187E203

(CUSIP Number)

Warren G. Lichtenstein

Steel Partners Holdings L.P.

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590 Madison Avenue, 32nd Floor

New York, New York 10022

(212) 520-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

March 7, 2014

(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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<sup>1</sup> 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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1 NAME OF REPORTING PERSONS  
 STEEL EXCEL INC.

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

3 SEC USE ONLY  
 SOURCE OF FUNDS

4 WC

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

6 DELAWARE

NUMBER OF		SOLE VOTING POWER
SHARES	7	
BENEFICIALLY		- 0 -
OWNED BY		SHARED VOTING POWER
EACH	8	
REPORTING		9,628,588
		SOLE DISPOSITIVE POWER
	9	
		- 0 -
		SHARED DISPOSITIVE POWER
	10	
		9,628,588
		AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH
		REPORTING PERSON

11

12 9,628,588  
 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)  
 EXCLUDES CERTAIN SHARES  
 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

14 17.4%  
 TYPE OF REPORTING PERSON

CO

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1 NAME OF REPORTING PERSONS  
STEEL PARTNERS HOLDINGS L.P.  
2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)  
(b)  
3 SEC USE ONLY  
SOURCE OF FUNDS  
4  
AF  
5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)  
CITIZENSHIP OR PLACE OF ORGANIZATION  
6  
DELAWARE  
7 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON  
SOLE VOTING POWER  
8 - 0 -  
SHARED VOTING POWER  
9,628,588  
SOLE DISPOSITIVE POWER  
9  
- 0 -  
SHARED DISPOSITIVE POWER  
10  
9,628,588  
AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
11  
9,628,588  
12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)  
EXCLUDES CERTAIN SHARES  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.4%  
14 TYPE OF REPORTING PERSON  
PN

1 NAME OF REPORTING PERSONS  
SPH GROUP LLC

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

3 SEC USE ONLY  
SOURCE OF FUNDS

4 AF

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

6 DELAWARE

NUMBER OF 7 SOLE VOTING POWER  
SHARES

BENEFICIALLY 8 - 0 -  
OWNED BY SHARED VOTING POWER  
EACH

REPORTING 9 9,628,588  
SOLE DISPOSITIVE POWER

10 - 0 -  
SHARED DISPOSITIVE POWER

11 9,628,588  
AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

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

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

14 17.4%  
TYPE OF REPORTING PERSON

OO

1 NAME OF REPORTING PERSONS  
SPH GROUP HOLDINGS LLC

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

3 SEC USE ONLY  
SOURCE OF FUNDS

4 AF

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

6 DELAWARE

NUMBER OF 7 SOLE VOTING POWER  
SHARES

BENEFICIALLY 8 - 0 -  
OWNED BY SHARED VOTING POWER  
EACH

REPORTING 9 9,628,588  
SOLE DISPOSITIVE POWER

10 - 0 -  
SHARED DISPOSITIVE POWER

11 9,628,588  
AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

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

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

14 17.4%  
TYPE OF REPORTING PERSON

OO

1 NAME OF REPORTING PERSONS  
STEEL PARTNERS HOLDINGS GP INC.  
2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)  
(b)

3 SEC USE ONLY  
SOURCE OF FUNDS

4 AF

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

6 DELAWARE

7	SOLE VOTING POWER
	- 0 -
8	SHARED VOTING POWER
	9,628,588
	SOLE DISPOSITIVE POWER
9	
	- 0 -
	SHARED DISPOSITIVE POWER
10	
	9,628,588

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

11

12 9,628,588

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

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

17.4%

14 TYPE OF REPORTING PERSON

CO



The following constitutes the Schedule 13D filed by the undersigned (the "Schedule 13D").

Item 1. Security and Issuer.

This statement relates to the Common Stock, par value \$0.001 per share (the "Shares"), of API Technologies Corp. (the "Issuer"). The address of the principal executive offices of the Issuer is 4705 S. Apopka Vineland Rd. Suite 210 Orlando, Florida 32819.

Item 2. Identity and Background.

(a) This statement is filed by Steel Excel Inc., a Delaware corporation ("Steel Excel"), Steel Partners Holdings L.P., a Delaware limited partnership ("Steel Holdings"), SPH Group LLC, a Delaware limited liability company ("SPHG"), SPH Group Holdings LLC, a Delaware limited liability company ("SPHG Holdings"), and Steel Partners Holdings GP Inc., a Delaware corporation ("Steel Holdings GP"). Each of the foregoing is referred to as a "Reporting Person" and collectively as the "Reporting Persons."

SPHG Holdings beneficially owns approximately 51% of the outstanding shares of Common Stock of Steel Excel. Steel Holdings owns 99% of the membership interests of SPHG. SPHG is the sole member of SPHG Holdings. Steel Holdings GP is the general partner of Steel Holdings, the managing member of SPHG and the manager of SPHG Holdings. Accordingly, for purposes of this Schedule 13D, each of SPHG Holdings, SPHG, Steel Holdings and Steel Holdings GP may be deemed to beneficially own the Shares owned directly by Steel Excel. Each of SPHG Holdings, SPHG, Steel Holdings and Steel Holdings GP disclaims beneficial ownership of the Shares owned directly by Steel Excel except to the extent of their pecuniary interest therein.

Set forth on Schedule A annexed hereto ("Schedule A") is the name and present principal business, occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted of (i) the executive officers and directors of Steel Excel and (ii) the executive officers and directors of Steel Holdings GP. To the best of the Reporting Persons' knowledge, except as otherwise set forth herein, none of the persons listed on Schedule A beneficially owns any securities of the Issuer or is a party to any contract, agreement or understanding required to be disclosed herein.

(b) The principal business address of each Reporting Person other than Steel Excel is 590 Madison Avenue, 32nd Floor, New York, New York 10022. The principal business address of Steel Excel is 1133 Westchester Avenue, Suite N222, White Plains, New York 10604.

(c) Steel Excel is a company whose business consists primarily of capital redeployment and identification of new, profitable operations in the oilfield services, sports, training, education, entertainment and lifestyle businesses. Steel Holdings is a global diversified holding company that engages or has interests in a variety of operating businesses through its subsidiary companies. Steel Holdings may seek to obtain majority or primary control, board representation or other significant influence over the businesses in which it holds an interest. The principal business of SPHG Holdings is holding securities for the account of Steel Holdings. The principal business of SPHG is serving as the sole member of SPHG Holdings and other affiliates. The principal business of Steel Holdings GP is serving as the general partner of Steel Holdings, the managing member of SPHG and the manager of SPHG Holdings.

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(d) No Reporting Person nor any person listed on Schedule A has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) No Reporting Person nor any person listed on Schedule A has, during the last five years, been 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.

(f) Each of the entities who are Reporting Persons are organized under the laws of the State of Delaware. Each of the individuals who are listed on Schedule A other than Gary W. Ullman are citizens of the United States of America. Gary W. Ullman is a citizen of Canada.

Item 3. Source and Amount of Funds or Other Consideration.

The aggregate purchase price of the 9,628,588 Shares owned directly by Steel Excel is approximately \$23,915,259, including brokerage commissions. The Shares owned directly by Steel Excel were acquired with the working capital of Steel Excel.

Item 4. Purpose of Transaction.

The Reporting Persons purchased the Shares based on the Reporting Persons' belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of Shares at prices that would make the purchase or sale of Shares desirable, the Reporting Persons may endeavor to increase or decrease their position in the Issuer through, among other things, the purchase or sale of Shares on the open market or in private transactions or otherwise, on such terms and at such times as the Reporting Persons may deem advisable.

No Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon or in connection with completion of, or following, any of the actions discussed herein. The Reporting Persons intend to review their investment in the Issuer on a continuing basis. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the Shares, conditions in the securities markets and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation,

continuing to engage in communications with management and the board of directors of the Issuer, engaging in discussions with stockholders of the Issuer and others about the Issuer and the Reporting Persons' investment, including in connection with making recommendations or proposals to the Issuer concerning changes to the capitalization, corporate structure, ownership structure, board structure (including board composition) or operations of the Issuer, purchasing additional Shares, selling some or all of their Shares, engaging in short selling of or any hedging or similar transaction with respect to the Shares, or changing their intention with respect to any and all matters referred to in Item 4.

Item 5. Interest in Securities of the Issuer.

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 55,362,802 Shares outstanding, which is the total number of Shares outstanding as of February 21, 2014, as reported in the Issuer's Proxy Statement on Form DEF14A filed with the Securities and Exchange Commission on March 5, 2014.

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As of the close of business on March 12, 2014, Steel Excel owned directly 9,628,588 Shares, constituting approximately 17.4% of the Shares outstanding. By virtue of their relationships with Steel Excel discussed in further detail in Item 2, each of SPHG Holdings, Steel Holdings, SPHG and Steel Holdings GP may be deemed to beneficially own the Shares owned directly by Steel Excel.

(b) Each of Steel Excel, SPHG Holdings, SPHG, Steel Holdings and Steel Holdings GP is deemed to have shared power to vote and dispose of the Shares owned directly by Steel Excel.

(c) Schedule B annexed hereto (“Schedule B”) lists all transactions in the Shares of the Issuer during the past sixty days by the Reporting Persons. All of such transactions were effected in the open market.

(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.

(e) Not applicable.

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

Pursuant to Rule 13d-1(k) promulgated under the Exchange Act, the Reporting Persons have entered into an agreement with respect to the joint filing of this statement, and any amendment or amendments thereto.

Except as set forth herein, there are no contracts, arrangements, understandings or relationships among the Reporting Persons, or between the Reporting Persons and any other person, with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

<sup>99.1</sup> Joint Filing Agreement by and among Steel Excel Inc., Steel Partners Holdings L.P., SPH Group LLC, SPH Group Holdings LLC and Steel Partners Holdings GP Inc., dated March 12, 2014.



SIGNATURES

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.

Dated: March 12, 2014 STEEL EXCEL INC.

By: /s/ James  
F.  
McCabe,  
Jr.  
James F.  
McCabe,  
Jr., Chief  
Financial  
Officer

STEEL PARTNERS  
HOLDINGS L.P.

By: Steel  
Partners  
Holdings  
GP Inc.  
General  
Partner

By: /s/ Jack  
L.  
Howard  
Jack L.  
Howard,  
President

SPH GROUP LLC

By: Steel  
Partners  
Holdings  
GP Inc.  
Managing  
Member

By: /s/ Jack  
L.  
Howard  
Jack L.  
Howard,  
President

SPH GROUP  
HOLDINGS LLC

By: Steel  
Partners  
Holdings  
GP Inc.  
Manager

By: /s/ Jack  
L.  
Howard  
Jack L.  
Howard,  
President

STEEL PARTNERS  
HOLDINGS GP INC.

By: /s/ Jack  
L.  
Howard  
Jack L.  
Howard,  
President

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## SCHEDULE A

**Executive Officers and Directors of Steel Excel Inc.**

<u>Name and Position</u>	<u>Present Principal Occupation</u>	<u>Business Address</u>
Warren G. Lichtenstein, Director	Chairman and Chief Executive Officer of Steel Partners Holdings GP Inc., the General Partner of Steel Partners Holdings L.P., a global diversified holding company	c/o Steel Partners LLC 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022
Jack L. Howard, Vice Chairman, principal executive officer and Director	President of Steel Partners Holdings GP Inc., the General Partner of Steel Partners Holdings L.P., a global diversified holding company, and a principal of Mutual Securities, Inc., a registered broker dealer	c/o Steel Partners LLC 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022
John J. Quicke, Director	Managing Director and operating partner of Steel Partners LLC, a subsidiary of Steel Partners Holdings L.P., a global diversified holding company	c/o Steel Partners LLC 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022
Gary W. Ullman, Director	Chief Executive Officer of Connies Naturals, a corporation that delivers pre-made food products to sports stadiums, theme parks and the military	420 Woodland Acres, Maple, Ontario, Canada L6A1G2
John Mutch, Director	President and Chief Executive Officer of BeyondTrust Software, a privately held security software company	c/o Beyond Trust 2173 Salk Avenue Carlsbad, CA 92008

225 Main Street

Robert J. Valentine, Director	Sports commentator and owner of Bobby V's Sports Gallery Café	Stamford, Connecticut 06901
James F. McCabe, Jr., Vice President, Chief Financial Officer and Assistant Secretary	Chief Financial Officer of Steel Excel Inc., Handy & Harman Ltd. and Steel Partners Holdings GP Inc. President of SP Corporate Services LLC.	c/o Steel Partners LLC 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022
Leonard J. McGill, Vice President, General Counsel and Secretary	Senior Vice President, General Counsel and Secretary of Steel Partners Holdings GP Inc. Senior Vice President, Chief Legal Officer and Assistant Secretary of Handy & Harman Ltd.	c/o Steel Partners LLC 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022

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**Executive Officers and Directors of Steel Partners Holdings GP Inc.**

<u>Name and Position</u>	<u>Present Principal Occupation</u>	<u>Business Address</u>
Warren G. Lichtenstein, Chairman, Chief Executive Officer and Director	Chairman and Chief Executive Officer of Steel Partners Holdings GP Inc., the General Partner of Steel Partners Holdings L.P., a global diversified holding company	c/o Steel Partners LLC 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022
Jack L. Howard, President and Director	President of Steel Partners Holdings GP Inc., the General Partner of Steel Partners Holdings L.P., a global diversified holding company, and a principal of Mutual Securities, Inc., a registered broker dealer	c/o Steel Partners LLC 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022
James F. McCabe, Jr., Chief Financial Officer	Chief Financial Officer of Steel Partners Holdings GP Inc., the General Partner of Steel Partners Holdings L.P., a global diversified holding company	c/o Steel Partners Holdings L.P. 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022
Anthony Bergamo, Director	Vice Chairman of MB Real Estate, a property management company	c/o MB Real Estate 335 Madison Avenue, 14 <sup>th</sup> Floor New York, NY 10017
John P. McNiff, Director	Partner of Mera Capital Management LP, a private investment partnership	c/o Mera Capital Management LP 161 Washington Street, Suite 1560 Conshohocken, PA 19428
Joseph L. Mullen, Director	Managing Partner of Li Moran International, Inc., a management consulting company	c/o Li Moran International 611 Broadway, Suite 722 New York, NY 10012

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General Richard I. Neal, Director	President of Sisvel US, Inc. and Audio MPEG, Inc., licensors of intellectual property	c/o Sisvel US, Inc. 66 Canal Center Plaza, Suite 750 Alexandria, VA 22314
Allan R. Tessler, Director	Chairman and Chief Executive Officer of International Financial Group, Inc., an international merchant banking firm	c/o International Financial Group, Inc. 2500 North Moose Wilson Road Wilson, WY 83014
Leonard J. McGill, Senior Vice President, General Counsel and Secretary	Senior Vice President, General Counsel and Secretary of Steel Partners Holdings GP Inc., the General Partner of Steel Partners Holdings L.P., a global diversified holding company	c/o Steel Partners Holdings L.P. 590 Madison Avenue, 32 <sup>nd</sup> Floor New York, NY 10022

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SCHEDULE B

**Transactions in the Shares of the Issuer During the Past 60 Days**

<u>Class of Security</u>	<u>Securities Purchased</u>	<u>Price (\$)</u>	<u>Date of Purchase</u>
<b><u>STEEL EXCEL INC.</u></b>			

Common Stock	8,198,015	2.4300	3/07/2014
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