

HCP-FVA, LLC
 Form 3
 November 21, 2017

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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)

<p>1. Name and Address of Reporting Person *</p> <p>Â HCP-FVA, LLC</p> <p>(Last) (First) (Middle)</p> <p>C/O HALE CAPITAL PARTNERS, LP, Â 17 STATE STREET, SUITE 3230</p> <p>(Street)</p> <p>NEW YORK, Â NY Â 10004</p> <p>(City) (State) (Zip)</p>	<p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>11/17/2017</p>	<p>3. Issuer Name and Ticker or Trading Symbol</p> <p>FALCONSTOR SOFTWARE INC [FALC]</p>	<p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p><input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below)</p>	<p>5. If Amendment, Date Original Filed(Month/Day/Year)</p>	<p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person</p>
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	851,354	D	Â

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative	5. Ownership Form of Derivative Security:	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)
Series A Convertible Preferred Stock	09/16/2013	∅ (1)	Common Stock, par value \$0.001, per share	8,781,515 (2) (3)	\$ (4)	D ∅
Warrants	11/17/2017	11/17/2027	Common Stock, par value \$0.001, per share	13,859,128 (5)	\$ 0.001	D ∅

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HCP-FVA, LLC C/O HALE CAPITAL PARTNERS, LP 17 STATE STREET, SUITE 3230 NEW YORK, NY 10004	∅ X	∅ X	∅	∅

Signatures

HCP-FVA, LLC, By: Hale Capital Partners, LP, its sole member /s/ Martin M. Hale, Jr.,
CEO

11/21/2017

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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) The Series A Convertible Preferred Stock (the "Preferred Stock") of Falconstor Software Inc. (the "Issuer") is convertible at any time, at the holder's election, into common stock of the Issuer (the "Common Stock") and has no expiration date. The Preferred Stock accrues dividends which may, under circumstances, be paid in shares of Common Stock.
 - (2) The Preferred Stock reported herein is held by HCP-FVA, LLC, a Delaware limited liability company ("HCP-FVA"). Hale Capital Partners, LP, a Delaware limited partnership ("HCP"), is the sole member of HCP-FVA. The securities reported herein were purchased from the Issuer pursuant to a Preferred Stock Purchase Agreement, dated as of September 16, 2013, between HCP and the Issuer.
 - (3) The shares of Preferred Stock held by HCP-FVA are convertible into 8,781,515 shares of Common Stock (without giving effect any limitations on conversion due to the Blocker, as defined below). The Certificate of Designations for the Preferred Stock contains a 9.99% beneficial ownership blocker (the "Blocker") and, as a result, the number of shares of Common Stock issuable upon conversion of the shares of the Preferred Stock held by HCP-FVA are limited pursuant to the terms of the Blocker.
 - (4) Each share of Preferred Stock has a stated value of \$10 (the "Stated Value"). Each share Preferred Stock is initially convertible into such number of shares of Common Stock determined by dividing the Stated Value by \$1.02488, the initial conversion price of the Preferred Stock. The conversion price of the Preferred Stock is subject to adjustment from time to time in accordance with the terms of the Certificate of Designations of the Preferred Stock.
 - (5) The Warrants were issued to HCP-FVA in connection with (i) a loan made to the Issuer by HCP-FVA in the principal amount of \$500,000 and (ii) a commitment from HCP to purchase up to \$3,000,000 worth of units from the Issuer in a proposed private placement of units subject to, and on the terms and conditions set forth in, a certain commitment letter, dated as of November 17, 2017, by and

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between HCP and the Issuer.

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Remarks:

HCP-FVAÂ hasÂ theÂ rightÂ toÂ designateÂ aÂ directorÂ ofÂ theÂ IssuerÂ pursuantÂ toÂ theÂ termsÂ ofÂ theÂ Certific

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

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