

Hallwood Group Inc
Form SC 13D/A
June 05, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934

(Amendment No. 18)*

THE HALLWOOD GROUP INCORPORATED

(Name of Issuer)

Common Stock, par value \$0.10 per Share

(Title of Class of Securities)

406364 30 7

(CUSIP Number)

Anthony J. Gumbiner

3710 Rawlins, Suite 1500

Dallas, Texas 75219

Copy to:

W. Alan Kailer, Esq.

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Hunton & Williams LLP

1445 Ross Avenue, Suite 3700

Dallas, Texas 75202-2799

(214) 468-3342

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

June 4, 2013

(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.

* 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).

CUSIP No. 406364 30 7

(1) Names of Reporting Persons.

Hallwood Trust

(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 Box If Disclosure Of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e). "

(6) Citizenship or Place of Organization.

Island of Jersey, Channel Islands

(7) Sole Voting Power.

Number of

Shares 0

Beneficially (8) Shared Voting Power.

Owned By

Each 1,001,575 shares of common stock

(9) Sole Dispositive Power.

Reporting

Person 0

With (10) Shared Dispositive Power.

1,001,575 shares of common stock

(11) Aggregate Amount Beneficially Owned By Each Reporting Person.

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1,001,575 shares of common stock

(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)

65.7%

(14) Type Of Reporting Person (*See Instructions*)

CO

CUSIP No. 406364 30 7

(1) Names of Reporting Persons.

Anthony Joseph Gumbiner

(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).

PF

(5) Check Box If Disclosure Of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e).

(6) Citizenship or Place of Organization.

Great Britain

(7) Sole Voting Power.

Number of

Shares 0

Beneficially (8) Shared Voting Power.

Owned By

Each 1,001,575 shares of common stock

(9) Sole Dispositive Power.

Reporting

Person

0

With (10) Shared Dispositive Power.

1,001,575 shares of common stock

(11) Aggregate Amount Beneficially Owned By Each Reporting Person.

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1,001,575 shares of common stock

(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)

65.7%

(14) Type Of Reporting Person (*See Instructions*)

IN

Schedule 13D

This Amendment No. 18 to Schedule 13D amends the Schedule 13D (the "Schedule 13D"), filed by Hallwood Trust (formerly the Alpha Trust), a trust formed under the laws of the Island of Jersey, Channel Islands (the "Trust"), and Anthony J. Gumbiner, and is being filed pursuant to Rule 13d-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Act"). Unless otherwise indicated, all capitalized terms used, but not defined herein, have the meanings ascribed to such terms in the Schedule 13D. No material changes means no material changes to the response contained in the Schedule 13D previously filed.

Item 1. Security and Issuer.

This Amendment No. 18 to Schedule 13D relates to the Common Stock, par value \$0.10 per share (the "Shares"), of The Hallwood Group Incorporated, a Delaware corporation (the "Company"), and amends and supplements all information contained in the Schedule 13D.

Item 2. Identity and Background.

Item 2 is hereby amended and restated in its entirety as follows:

(a) The persons on whose behalf this statement is filed are the Trust and Anthony J. Gumbiner. The trustee of the Trust is Hallwood Company Limited, a corporation filed under the laws of Nevis ("HCL"). Mr. Gumbiner, his wife Marie Magdeleine Gumbiner, Mark Lowndes and Jeremy Agace are directors of HCL and Mr. Gumbiner and his wife are the executive directors of HCL. The Trust owns the Shares through Hallwood Financial Limited ("Hallwood Financial"), a corporation organized under the laws of the British Virgin Islands that is wholly owned by the Trust. Mr. Gumbiner, his wife Marie Magdeleine Gumbiner and Gert Lessing, are directors of Hallwood Financial and Messrs. Gumbiner and Lessing are the executive directors of Hallwood Financial.

(b) The business address of each of the persons identified in paragraph (a) is 3710 Rawlins, Suite 1500, Dallas, Texas 75219.

(c) Anthony J. Gumbiner is Chairman of the Board and Chief Executive Officer of the Company and certain of its affiliates. The Company operates its principal business in the textile products industry through its wholly owned subsidiary, Brookwood Companies Incorporated. The principal executive offices of the Company are located at 3710 Rawlins, Suite 1500, Dallas, Texas 75219.

Marie Magdeleine Gumbiner is not employed.

Mark Lowndes is a Solicitor.

Jeremy Agace is retired.

Gert Lessing is a director of Hallwood Financial.

(d) None of the persons identified in paragraph (a) have, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the persons identified in paragraph (a) have, during the last five years, been 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.

(f) See Item 2(a).

Anthony J. Gumbiner is a citizen of the United Kingdom.

Marie Magdeleine Gumbiner is a citizen of France.

Mark Lowndes is a citizen of New Zealand.

Jeremy Agace is a citizen of the United Kingdom.

Gert Lessing is a citizen of the United States.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 is hereby amended and supplemented by adding the following after the final paragraph thereof:

The Reporting Persons anticipate that the funding (including expenses) required for the Merger (as defined in Item 4 below) will be approximately \$5.5 million. The Reporting Persons will satisfy the funding required for the Merger from the working capital and personal funds of Hallwood Financial and its affiliates.

Item 4. Purpose of the Transaction

Item 4(a) (j) is amended to include the following:

The Reporting Persons previously filed Amendment No. 17 to the Schedule 13D.

On June 5, 2013, the Company announced in a press release (the Press Release) that, following the unanimous recommendation from a special committee of independent and disinterested directors and the approval by all of the members of the Board of Directors other than Mr. Gumbiner, it had entered into an Agreement and Plan of Merger (the Merger Agreement) with Hallwood Financial and HFL Merger Corporation, a Delaware corporation and a wholly-owned subsidiary of Hallwood Financial (Merger Sub). The Press Release is attached hereto as Exhibit 1 and incorporated herein by reference. Pursuant to the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub will merge with and into the Company, with the Company continuing as the surviving corporation and a wholly-owned subsidiary of Hallwood Financial (the Merger). At the effective time of the Merger (the Effective Time), each Share issued and outstanding immediately prior to the Effective Time (other than Excluded Shares (as defined in the Merger Agreement) and any Dissenting Shares (as defined in the Merger Agreement)) will be converted into the right to receive \$10.00 in cash, without interest.

The closing of the Merger is subject to a non-waivable condition that the Merger Agreement be adopted by (i) the affirmative vote of the holders of a majority of the outstanding Shares entitled to vote on the adoption of the Merger Agreement, voting together as a single class, and (ii) the affirmative vote of the holders of a majority of the outstanding Shares, voting together as a single class, excluding all Shares owned by Hallwood Financial, Merger Sub, Mr. Gumbiner or any of their respective affiliates (other than the Company and its subsidiaries), or by any director, officer or other employee of the Company or any of its subsidiaries. Consummation of the Merger is subject to the fulfillment or waiver of certain other customary conditions set forth in the Merger Agreement.

The purpose of the Merger is to acquire all of the issued and outstanding Shares. If the Merger is consummated, the Shares will be delisted from the NYSE MKT exchange and will cease to be registered under Section 12 of the Act, and the Company will be privately held by Hallwood Financial.

This summary above does not purport to be complete and is qualified in its entirety by the Merger Agreement attached hereto as Exhibit 2 and incorporated herein by reference.

Item 5. Interest in Securities of the Issuer

Item 5 is amended to include the following:

By virtue of the relationships reported under Item 2 of this statement, the Trust and Mr. Gumbiner may be deemed to have shared voting and dispositive power with respect to the Shares owned directly by Hallwood Financial. None of the individuals identified in Item 2, other than Mr. Gumbiner, beneficially own any Shares of the Company. No other material changes.

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

Item 6 is amended to include the following:

The description of the Merger Agreement in Item 4 above is incorporated herein by reference.

Item 7. Material to be Filed as Exhibits.

Item 7 is amended to include the following:

Exhibit 1 Press Release, dated June 5, 2013.

Exhibit 2 Agreement and Plan of Merger, dated June 4, 2013, by and among Hallwood Financial Limited, HFL Merger Corporation and The Hallwood Group Incorporated.

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.

HALLWOOD TRUST

By: Hallwood Company Limited, Trustee

By: /s/ Anthony J. Gumbiner

Name: Anthony J. Gumbiner

Title: Director

/s/ Anthony J. Gumbiner

Anthony J. Gumbiner

Date: June 5, 2013