

INSIGNIA SYSTEMS INC/MN  
Form SC 13D/A  
May 22, 2018  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**

**SCHEDULE 13D**

**(Rule 13d-101)**

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a) AND  
AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)**

**Under the Securities Exchange Act of 1934**

**(Amendment No. 12)\***

**INSIGNIA SYSTEMS, INC.**

(Name of Issuer)

**Common Stock, par value \$0.01 per share**

(Title of Class of Securities)

**45765Y105**

(CUSIP Number)

**Air T, Inc.**

**5930 Balsom Ridge Rd.**

**Denver, North Carolina 28037**

**(828) 464-8741**

**With a copy to:**

**Derek D. Bork**

**Thompson Hine LLP**

**3900 Key Center**

**127 Public Square**

**Cleveland, Ohio 44114**

**(216) 566-5500**

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

**May 17, 2018**

(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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\* 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  
PERSON

2 **Air T,  
Inc.**  
CHECK  
THE  
APPROPRIATE  
BOX  
IF A (a)  
MEMBER  
OF A  
GROUP

3 SEC  
USE  
ONLY

4 SOURCE  
OF  
FUNDS

5 **WC**  
CHECK  
IF  
DISCLOSURE  
OF  
LEGAL  
PROCEEDINGS  
IS  
REQUIRED  
PURSUANT  
TO  
ITEM  
2(d) or

2(e)

**6** CITIZENSHIP  
OR  
PLACE  
OF  
ORGANIZATION

**Minnesota**

NUMBER OF **7** SOLE  
VOTING  
POWER

SHARES **3,416,114**  
SHARED  
VOTING  
POWER  
BENEFICIALLY **8**

OWNED BY

EACH **0** SOLE  
DISPOSITIVE  
POWER  
REPORTING **9**

PERSON WITH

**3,416,114**  
SHARED  
DISPOSITIVE  
POWER  
**10**

**11** **0**  
AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY  
REPORTING  
PERSON

**12** **3,416,114**

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

13

PERCENT  
OF  
CLASS  
REPRESENTED  
BY  
AMOUNT  
IN  
ROW  
(11)

14

**28.6%**  
TYPE  
OF  
REPORTING  
PERSON

**CO**

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NAME  
OF  
REPORTING  
PERSON

1

**Groveland  
Capital  
LLC**  
CHECK  
THE  
APPROPRIATE  
BOX  
IF A (a)  
MEMBER  
OF A  
GROUP

2

SEC  
USE  
ONLY

3

SOURCE  
OF  
FUNDS

4

**WC**  
CHECK  
IF  
DISCLOSURE  
OF  
LEGAL  
PROCEEDINGS  
IS  
REQUIRED  
PURSUANT  
TO  
ITEM

5

2(d) or  
2(e)

6 CITIZENSHIP  
OR  
PLACE  
OF  
ORGANIZATION

**Delaware**

SOLE  
VOTING  
POWER

7

NUMBER OF  
SHARES 8

**0**  
SHARED  
VOTING  
POWER

BENEFICIALLY

OWNED BY  
EACH

**422,000**  
SOLE  
DISPOSITIVE  
POWER

REPORTING 9

PERSON WITH

**0**  
SHARED  
DISPOSITIVE  
POWER

10

11

**422,000**  
AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY  
REPORTING  
PERSON

**422,000**



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

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

**14** **3.5%**  
TYPE  
OF  
REPORTING  
PERSON

**OO**

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NAME  
OF  
REPORTING  
PERSON

1

**Nicholas  
J.  
Swenson**  
CHECK  
THE  
APPROPRIATE  
BOX  
IF A (a)  
MEMBER  
OF A  
GROUP

2

SEC  
USE  
ONLY

3

SOURCE  
OF  
FUNDS

4

**PF**  
CHECK  
IF  
DISCLOSURE  
OF  
LEGAL  
PROCEEDINGS  
IS  
REQUIRED  
PURSUANT  
TO  
ITEM

5

2(d) or  
2(e)

CITIZENSHIP  
OR  
PLACE  
OF  
ORGANIZATION

6

**United  
States  
of  
America**

SOLE  
VOTING  
POWER

7

NUMBER OF  
SHARES

**12,168**  
SHARED  
VOTING  
POWER

8

BENEFICIALLY

OWNED BY  
EACH

**422,000**  
SOLE  
DISPOSITIVE  
POWER

REPORTING

9

PERSON WITH

**12,168**  
SHARED  
DISPOSITIVE  
POWER

10

11

**422,000**  
AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY  
REPORTING  
PERSON

**434,168**  
CHECK  
IF  
THE  
AGGREGATE  
AMOUNT  
IN  
**12** ROW  
(11)  
EXCLUDES  
CERTAIN  
SHARES

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

**3.6%**  
TYPE  
OF  
REPORTING  
**14** PERSON

**IN**

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This Amendment No. 12 to Statement of Beneficial Ownership on Schedule 13D (this “Amendment No. 12”) amends the Statement of Beneficial Ownership on Schedule 13D filed by the Reporting Persons on August 18, 2014, as amended (the “Schedule 13D” or this “Statement”). Except as amended and supplemented by this Amendment No. 12, the Schedule 13D remains unchanged.

### **Item 1. Security and Issuer.**

This Statement relates to the common stock, par value \$0.01 per share (“Common Stock”), of Insignia Systems, Inc., a Minnesota corporation (the “Company”). The Company reports that its principal executive offices are located at 8799 Brooklyn Blvd., Minneapolis, Minnesota 55445.

### **Item 2. Identity and Background.**

This Statement is filed by (i) Air T, Inc., a Minnesota corporation (“Air T”), (ii) Groveland Capital LLC, a Delaware limited liability company (“Groveland”), and (iii) Nicholas J. Swenson.

The foregoing entities and person are sometimes referred to herein as a “Reporting Person” and collectively as the “Reporting Persons.” The Reporting Persons are filing this Statement jointly, as they may be deemed a “group” under Section 13(d)(3) of the Exchange Act. However, neither the fact of this filing nor anything contained herein shall be deemed to be an admission by any of the Reporting Persons that they constitute a “group.”

The principal business of Air T is serving as a diversified holding company providing overnight air cargo, aviation ground equipment, ground support services, printing equipment and maintenance, commercial jet engines and parts, and leasing services. The principal business of Groveland is serving as an investment management firm. The principal occupation of Mr. Swenson is serving as the President, Chief Executive Officer and Chairman of the board of directors of Air T. Mr. Swenson is also a private investor and the founder and managing member of Groveland, and the managing member of AO Partners, LLC which is the general partner of AO Partners I, L.P., an investment fund. Mr. Swenson is a U.S. citizen.

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The business address of Air T is 5930 Balsom Ridge Road, Denver, North Carolina 28037. The business address of Groveland is 5000 West 36th Street, Suite 130, Minneapolis, Minnesota 55416. The business addresses for Mr. Swenson are c/o Air T, Inc., 5930 Balsom Ridge Road, Denver, North Carolina 28037; and c/o Groveland Capital LLC, 5000 West 36th Street, Suite 130, Minneapolis, Minnesota 55416

Information regarding the identity and background of each executive officer and director of Air T is set forth on Schedule A to this Statement. Each of the individuals identified on Schedule A to this Statement is a U.S. citizen.

None of the Reporting Persons, any of their partners, managers, officers or other controlling persons or, to the Reporting Persons' knowledge, any individuals identified on Schedule A to this Statement has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

None of the Reporting Persons, any of their partners, managers, officers or other controlling persons or, to the Reporting Persons' knowledge, any individuals identified on Schedule A to this Statement has, 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.

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

The total cost for purchasing the Common Stock reported as owned by the Reporting Persons, excluding brokerage commissions, was approximately \$8,408,441 in the aggregate. The source of these funds was working capital or personal funds, as applicable.

### **Item 4. Purpose of Transaction.**

On May 17, 2018, the Reporting Persons entered into a Cooperation Agreement with the Company (the "Cooperation Agreement"). On the same date, pursuant to the terms of the Cooperation Agreement, the Company: (i) increased the size of the Company's board of directors (the "Board") to six and (ii) appointed Suzanne L. Clarridge and Loren A. Unterseher (collectively, the "New Directors") to serve as additional directors. F. Peter Zaballos retired from the Board and all committees. Steven Zenz announced his retirement from the Board to be effective as of the Company's 2019 annual meeting of shareholders. The Reporting Persons and the Company have agreed to collaboratively identify and appoint a replacement for Mr. Zenz in 2019, should the Board decide to do so. With respect to the Company's 2018 annual meeting of shareholders (the "2018 Annual Meeting"), the Reporting Persons agreed to, among other things, vote in favor of the Company's director nominees and in accordance with the Board's recommendation on all other proposals, unless Institutional Shareholder Services recommends otherwise.



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Pursuant to the Cooperation Agreement, the Company will submit a proposal to be voted on by shareholders at the 2018 Annual Meeting (the “One Share/One Vote Proposal”) to approve an acquisition of shares of Common Stock by Air T that resulted in the Reporting Persons, as a group, having beneficial ownership of Common Stock that would, except for the operation of Section 302A.671 of the Minnesota Statutes (the “Control Share Acquisition Statute”), possess greater than 20% of the voting power in the election of the Company’s directors. The Control Share Acquisition Statute restricts the ability of any person that acquires 20% or more of the stock of a Minnesota public company, such as the Company, from voting the shares that exceed 19.99% of all outstanding shares of the company. Approval of the One Share/One Vote Proposal by the Company’s shareholders is required under the Control Share Acquisition Statute in order to grant full voting rights to the Common Stock beneficially owned by the Reporting Persons and all additional Common Stock acquired by the Reporting Persons up to an aggregate of 33-1/3% of the Company’s outstanding Common Stock.

The Reporting Persons agreed to certain customary standstill provisions, effective as of the date of the Cooperation Agreement through 60 days prior to the expiration of the applicable notice period specified in the Company’s Bylaws related to the nominations of directors at its 2020 annual meeting of shareholders.

The Cooperation Agreement is included as Exhibit 99.1 to this Statement and is incorporated herein by reference. The foregoing description of the Cooperation Agreement is not complete and is qualified in its entirety by reference to the full text of the agreement.

Except as may be proposed for approval by the New Directors who were nominated as a result of the Cooperation Agreement, none of the Reporting Persons has any present plan or proposal that would result in any of the actions described in paragraphs (a) through (j) of Item 4 of Schedule 13D. The Reporting Persons reserve the right in the future to formulate any such plans or proposals, and to take any actions with respect to their investments in the Company, including any or all of the actions described in paragraphs (a) through (j) of Item 4 of Schedule 13D.

The Reporting Persons acquired the Common Stock reported in this Statement for investment purposes. The Reporting Persons may in the future acquire additional shares of Common Stock of the Company or dispose of some or all of the shares of Common Stock of the Company held by them in open-market transactions or privately negotiated transactions, on such terms and at such times as the Reporting Persons may deem advisable, subject to applicable law. The Reporting Persons may engage in short selling or hedging or similar transactions with respect to the shares of Common Stock, on such terms and at such times as the Reporting Persons may deem advisable, subject to applicable law.



**Item 5. Interest in Securities of the Issuer.**

(a) The Reporting Persons beneficially own in the aggregate 3,838,114 shares of Common Stock, which represents approximately 32.1% of the Company's outstanding shares of Common Stock.

Air T directly holds the number and percentage of shares of Common Stock disclosed as beneficially owned by it in the applicable table set forth on the cover page to this Statement. Groveland directly holds the number and percentage of shares of Common Stock disclosed as beneficially owned by it in the applicable table set forth on the cover page to this Statement. In addition, Mr. Swenson directly holds 12,168 shares of Common Stock.

In addition, Loren A. Unterseher, who was nominated as a director of the Company as a result of the Cooperation Agreement, holds 10,000 shares of Common Stock, which he acquired on March 16, 2018 in the open market at a price of \$1.67 per share.

Air T expressly disclaims beneficial ownership of the securities held by Groveland and Mr. Swenson. Groveland expressly disclaims beneficial ownership of securities held by Air T, and Mr. Swenson expressly disclaims beneficial ownership of securities held by Air T and Groveland except to the extent of his pecuniary interest therein.

Each percentage ownership of shares of Common Stock set forth in this Statement is based on the 11,962,996 shares of Common Stock reported by the Company as outstanding as of May 7, 2018 in its Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 8, 2018.

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As the Chairman, President and Chief Executive Officer of Air T, Mr. Swenson may be deemed to beneficially own the shares of Common Stock held by Air T. As the Managing Member of Groveland, Mr. Swenson may be deemed to beneficially own the shares of Common Stock held by Groveland.

(b) Air T has the sole power to direct the voting and disposition of the shares of Common Stock beneficially owned by Air T. Groveland has the shared power to direct the voting and disposition of the shares of Common Stock beneficially owned by Groveland. Mr. Swenson, as the Managing Member of Groveland, has the shared power to direct the voting and disposition of the shares of Common Stock held by Groveland. Mr. Swenson has the sole power to direct the voting and disposition of the shares of Common Stock directly held by him.

(c) The transactions effected by the Reporting Persons since the filing of Amendment No. 11 to the Schedule 13D on March 26, 2018 are set forth on Schedule B to this Statement. Each of these transactions was effected through the open market.

(d) Not applicable.

(e) Not applicable.

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

Information set forth in Item 4 is incorporated herein by reference.

Pursuant to Rule 13d-1(k) promulgated under the Securities Exchange Act of 1934, as amended, the Reporting Persons have entered into an agreement with respect to the joint filing of this Amendment No. 12, which agreement is set forth on the signature page to this Statement.

**Item 7. Material to Be Filed as Exhibits.**

Cooperation Agreement, dated as of May 17, 2018, by and among Air T, Inc., Groveland Capital LLC, Nick 99.1 Swenson and Insignia Systems, Inc. (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 18, 2018).

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**SIGNATURE**

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this Statement is true, complete and correct.

In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of this Statement on Schedule 13D with respect to the Common Stock of the Company.

Dated: May 22, 2018

AIR T, INC.

/s/ Nicholas J. Swenson

Nicholas J. Swenson  
President and Chief Executive Officer

GROVELAND CAPITAL LLC

/s/ Nicholas J. Swenson

Nicholas J. Swenson

Managing Member

/s/ Nicholas J. Swenson

Nicholas J. Swenson

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**Schedule A**

Identity and Background of Executive Officers of Air T, Inc.:

<u>Name</u>	<u>Business Address</u>	Present Principal Occupation and Name, Principal Business and Address of any Organization in <u>which such Employment Is Conducted</u>
		President and Chief Executive Officer
	5930 Balsom Ridge Road Denver, NC 28037	Air T, Inc.  5930 Balsom Ridge Road Denver, NC 28037
Nicholas J. Swenson	5000 West 36th Street, Suite 130 Minneapolis, MN 55416	Managing Member Groveland Capital LLC  5000 West 36th Street, Suite 130 Minneapolis, MN 55416
		Senior Vice President and Chief Financial Officer
Brett A. Reynolds	5930 Balsom Ridge Road Denver, NC 28037	Air T, Inc.  5930 Balsom Ridge Road Denver, NC 28037
Candice L. Otey	5930 Balsom Ridge Road Denver, NC 28037	Chief Accounting Officer Air T, Inc.

5930 Balsom Ridge Road  
Denver, NC 28037

Chief Financial Officer  
Mountain Air Cargo, Inc. and CSA Air, Inc.

5930 Balsom Ridge Road  
Denver, NC 28037

Identity and Background of Directors of Air T, Inc.:

<u>Name</u>	<u>Business Address</u>	Present Principal Occupation and Name, Principal Business and Address of any Organization in <u>which such Employment Is Conducted</u>
Nicholas J. Swenson	See above.	See above.
Seth G. Barkett	5930 Balsom Ridge Road Denver, NC 28037	Director of Research Groveland Capital, LLC 5000 West 36th Street, Suite 130 Minneapolis, MN 55416  Groveland Capital, LLC is an investment management firm.
Raymond E. Cabillot	5930 Balsom Ridge Road Denver, NC 28037	Chief Executive Officer Farnam Street Capital, Inc. 5850 Opus Parkway Pondview Plaza, Suite 240 Minnetonka, MN 55343  Farnam Street Capital, Inc. is the general partner of Farnam Street Partners L.P., a private investment partnership.

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William R. Foudray  
5930 Balsom Ridge Road  
Denver, NC 28037  
Executive Vice President  
Vantage Financial, LLC  
444 Second Street  
Excelsior, MN 55331

Vantage Financial, LLC is an equipment leasing and finance company.

Gary S. Kohler  
5930 Balsom Ridge Road  
Denver, NC 28037  
Chief Investment Officer, Portfolio Manager and  
Managing Partner  
Blue Clay Capital Management, LLC  
5000 West 36th Street, Suite 115  
Minneapolis, MN 55416

Blue Clay Capital Management, LLC is an investment management firm.

Peter McClung  
5930 Balsom Ridge Road  
Denver, NC 28037  
Chief Executive Officer  
The Jump Group, LLC  
808 Main Street  
Grandview, MO 64030

The Jump Group, LLC is a joint venture technology company with [welcometoseven.com](http://welcometoseven.com), a full-service branding agency of which Mr. McClung is a founder, and venture capital investors.

John A. Reeves  
5930 Balsom Ridge Road  
Denver, NC 28037  
Director  
Air T, Inc.  
5930 Balsom Ridge Road  
Denver, NC 28037

Andrew J. Stumpf  
5930 Balsom Ridge Road  
Denver, NC 28037  
Partner  
Storm Lake Capital, LLC  
150 S. Elizabeth St.  
Rochester, MI 48307

Storm Lake Capital, LLC is a private investment group.



Senior Managing Director, Americas Leader of Real Estate Accounting Services  
CBRE, Inc.

Travis Swenson  
5930 Balsom Ridge Road  
Denver, NC 28037  
4400 West 78th Street Suite 200  
Minneapolis, MN 55435

CBRE, Inc. is a commercial real estate services firm.

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**Schedule B**

Transactions by the Reporting Persons in the Common Stock since March 26, 2018:

Air T, Inc.

<b>Transaction Date</b>	<b>Number of Shares Price Per</b>	
	<b>Bought/(Sold)</b>	<b>Share</b>
3/28/2018	2,000	\$1.573
3/28/2018	5,000	\$1.55
3/29/2018	19,000	\$1.614*
4/2/2018	10,000	\$1.57
4/4/2018	20,198	\$1.647*
5/18/2018	22,100	\$1.608*
5/21/2018	1,400	\$1.6298
5/21/2018	400	\$1.64
5/21/2018	1,200	\$1.63

\*Weighted average purchase price per share.