

RadNet, Inc.
Form SC 13D/A
April 15, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934

(Amendment No. 3)*

RADNET, INC.

(Name of Issuer)

Common Stock, par value \$0.0001 per share

(Title of Class of Securities)

750491102

(CUSIP Number)

Red Mountain Capital Partners LLC

Attn: Willem Mesdag

10100 Santa Monica Boulevard, Suite 925

Los Angeles, California 90067

Telephone (310) 432-0200

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

Edgar Filing: RadNet, Inc. - Form SC 13D/A

April 11, 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 Rule 13d-1(e), 13d-1(f) or 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 Rule 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).

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

2 Red Mountain Capital Partners LLC 73-1726370
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) "

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF

SHARES

3,336,183 shares (See Item 5)

BENEFICIALLY

8 SHARED VOTING POWER

OWNED BY

EACH

None (See Item 5)

9 SOLE DISPOSITIVE POWER

REPORTING

PERSON

3,336,183 shares (See Item 5)

WITH

10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,336,183 shares (See Item 5)

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

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

8.6% (See Item 5)

14 TYPE OF REPORTING PERSON*

OO Limited Liability Company

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

2 Red Mountain Capital Partners II, L.P. 20-4117535
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC (See Item 3)
5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) "

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware
7 SOLE VOTING POWER

NUMBER OF

SHARES None (See Item 5)

BENEFICIALLY 8 SHARED VOTING POWER

OWNED BY

EACH None (See Item 5)

9 SOLE DISPOSITIVE POWER

REPORTING

PERSON None (See Item 5)

WITH 10 SHARED DISPOSITIVE POWER

None (See Item 5)
11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

12 None (See Item 5)
CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* ..

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

14 None (See Item 5)
TYPE OF REPORTING PERSON*

PN Limited Partnership

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

**2 RMCP GP LLC 20-4442412
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP***

(a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)
5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) "

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware
7 SOLE VOTING POWER

NUMBER OF

SHARES 3,336,183 shares (See Item 5)
BENEFICIALLY 8 SHARED VOTING POWER

OWNED BY

EACH None (See Item 5)
9 SOLE DISPOSITIVE POWER

REPORTING

PERSON 3,336,183 shares (See Item 5)
WITH 10 SHARED DISPOSITIVE POWER

None (See Item 5)
11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,336,183 shares (See Item 5)

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

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

8.6% (See Item 5)

14 **TYPE OF REPORTING PERSON***

OO Limited Liability Company

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

2 Red Mountain Capital Management, Inc. 13-4057186
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF

SHARES

3,336,183 shares (See Item 5)

BENEFICIALLY 8 SHARED VOTING POWER

OWNED BY

EACH

None (See Item 5)

9 SOLE DISPOSITIVE POWER

REPORTING

PERSON

3,336,183 shares (See Item 5)

WITH 10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,336,183 shares (See Item 5)

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

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

8.6% (See Item 5)

14 TYPE OF REPORTING PERSON*

CO Corporation

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

2 Red Mountain Partners, L.P. 20-4117349
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF

SHARES

3,336,183 shares (See Item 5)

BENEFICIALLY 8 SHARED VOTING POWER

OWNED BY

EACH

None (See Item 5)

9 SOLE DISPOSITIVE POWER

REPORTING

PERSON

3,336,183 shares (See Item 5)

WITH 10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,336,183 shares (See Item 5)

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

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

8.6% (See Item 5)

14 **TYPE OF REPORTING PERSON***

PN Limited Partnership

* See Instructions

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Willem Mesdag

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF (See Item 3)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

U.S. Citizen

7 SOLE VOTING POWER

NUMBER OF

SHARES

3,336,183 shares (See Item 5)

BENEFICIALLY

8 SHARED VOTING POWER

OWNED BY

EACH

None (See Item 5)

9 SOLE DISPOSITIVE POWER

REPORTING

PERSON

3,336,183 shares (See Item 5)

WITH

10 SHARED DISPOSITIVE POWER

None (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,336,183 shares (See Item 5)

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

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

8.6% (See Item 5)

14 **TYPE OF REPORTING PERSON***

IN Individual

* See Instructions

This Amendment No. 3 amends and supplements the Schedule 13D filed with the Securities and Exchange Commission (the SEC) on February 22, 2011, as amended by Amendment No. 1 thereto, filed with the SEC on September 1, 2011, and Amendment No. 2 thereto, filed with the SEC on September 19, 2011, by (i) Red Mountain Capital Partners LLC, a Delaware limited liability company (RMCP LLC), (ii) Red Mountain Capital Partners II, L.P., a Delaware limited partnership (RMCP II), (iii) RMCP GP LLC, a Delaware limited liability company (RMCP GP), (iv) Red Mountain Capital Management, Inc., a Delaware corporation (RMCM), and (v) Willem Mesdag, a natural person and citizen of the United States of America, with respect to the common stock, par value \$0.0001 per share (the Common Stock), of RadNet, Inc., a Delaware corporation (RadNet). Through this Amendment No. 3, Red Mountain Partners, L.P., a Delaware limited partnership (RMP), joins as a filer of this Schedule 13D. In addition, this Amendment No. 3 will constitute an exit filing for RMCP II, RMCP LLC, RMCP II, RMP, RMCP GP, RMCM and Mr. Mesdag are sometimes collectively referred to herein as the Reporting Persons. The filing of any amendment to this Schedule 13D (including the filing of this Amendment No. 3) shall not be construed to be an admission by the Reporting Persons that a material change has occurred in the facts set forth in this Schedule 13D or that such amendment is required under Rule 13d-2 of the Securities Exchange Act of 1934, as amended.

ITEM 2. IDENTITY AND BACKGROUND.

Item 2 of this Schedule 13D is hereby amended to include the following information:

Red Mountain Partners, L.P., a Delaware limited partnership (RMP), joins as a filer of this Schedule 13D. RMCP GP is the general partner of RMP and thus may be deemed to control RMP. The principal executive offices of RMP are located at 10100 Santa Monica Boulevard, Suite 925, Los Angeles, California 90067. The principal business of RMP is investment. RMP was not formed for the specific purpose of investing in the securities of RadNet.

During the last five years, RMP has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which RMP 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.

Item 3 of this Schedule 13D is hereby amended to include the following information:

RMP owns 100% of the economic interests in RMCP II. RMCP GP serves as the general partner of each of RMP and RMCP II. Previously, 3,618,048 shares of Common Stock were reported as being held by RMCP II. As part of an internal restructuring, RMCP II distributed all Common Stock held by it to RMP in a transaction that resulted in a change in the form of beneficial ownership of such Common Stock but not a change in pecuniary interest in such Common Stock. As a result of such internal restructuring, RMP became the direct holder of these shares of Common Stock, and RMCP II ceased to beneficially own any Common Stock.

On April 3, 2013, RMP sold 45,000 shares of Common Stock on the open market at a price of \$2.81 per share.

On April 4, 2013, RMP sold 54,600 shares of Common Stock on the open market at a price of \$2.78 per share.

On April 5, 2013, RMP sold 68,000 shares of Common Stock on the open market at a price of \$2.81 per share.

On April 8, 2013, RMP sold 15,597 shares of Common Stock on the open market at a price of \$2.81 per share.

On April 9, 2013, RMP sold 60,000 shares of Common Stock on the open market at a price of \$2.78 per share.

On April 10, 2013, RMP sold 31,200 shares of Common Stock on the open market at a price of \$2.79 per share.

On April 11, 2013, RMP sold 52,168 shares of Common Stock on the open market at a price of \$2.77 per share.

On April 12, 2013, RMP sold 42,300 shares of Common Stock on the open market at a price of \$2.75 per share.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Items 5(a) and 5(b) of this Schedule 13D are hereby amended and restated as follows:

- (a)-(b) RMCP II has ceased to beneficially own any Common Stock and has ceased to have any power to vote or direct the vote, or any power to dispose or direct the disposition, of any shares of any Common Stock.

RMP beneficially owns, in the aggregate, 3,336,183 shares of Common Stock, which represent approximately 8.6% of the outstanding Common Stock.⁽¹⁾ RMP has the sole power to vote or direct the vote, and the sole power to dispose or direct the disposition, of all such 3,336,183 shares of Common Stock.

Because each of RMCP GP, RMCP LLC, RMCM and Mr. Mesdag may be deemed to control RMP, each of RMCP GP, RMCP LLC, RMCM and Mr. Mesdag may be deemed to beneficially own, and to have the power to vote or direct the vote, or dispose or direct the disposition of, all of the Common Stock beneficially owned by RMP.

Other than shares of Common Stock beneficially owned by RMP, none of the Reporting Persons or Mr. Teets may be deemed to beneficially own any shares of Common Stock.

Each of RMCP LLC, RMP and RMCP GP affirms membership in a group with each other but disclaims membership in a group with RMCM or Mr. Mesdag. Each of RMCM and Mr. Mesdag disclaims membership in a group with any person.

The filing of this Schedule 13D shall not be construed as an admission that any Reporting Person is the beneficial owner of any of the shares of Common Stock that such Reporting Person may be deemed to beneficially own. Without limiting the foregoing sentence, each of RMCM and Mr. Mesdag disclaims beneficial ownership of all shares of Common Stock reported in this Schedule 13D. In addition, the filing of this Schedule 13D shall not be construed as an admission that any partner, member, director, officer or affiliate of any Reporting Person is the beneficial owner of any of the shares of Common Stock that such partner, member, director, officer or affiliate may be deemed to beneficially own. Without limiting the foregoing sentence, Mr. Teets disclaims beneficial ownership of all shares of Common Stock reported in this Schedule 13D.

⁽¹⁾ All calculations of percentage ownership in this Schedule 13D are based on approximately 38,990,482 shares of Common Stock outstanding as of March 8, 2013, as reported in the Amendment No. 1 to the Annual Report on Form 10-K/A for the fiscal year ended December 31, 2012, which was filed with the Securities and Exchange Commission on April 1, 2013.

Item 5(c) of this Schedule 13D is hereby amended to include the following information:

- (c) The information set forth above in Item 3 is hereby incorporated by reference in response to this Item 5(c).

ITEM 7. MATERIALS TO BE FILED AS EXHIBITS.

Item 7 of this Schedule 13D is hereby amended to include the following information:

Exhibit No.	Description of Exhibit
3	Joint Filing Agreement dated as of April 15, 2013, by and among the Reporting Persons (filed herewith).

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.

Dated: April 15, 2013

RED MOUNTAIN CAPITAL PARTNERS LLC

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RED MOUNTAIN CAPITAL PARTNERS II, L.P.

By: RMCP GP LLC, its general partner

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RED MOUNTAIN PARTNERS, L.P.

By: RMCP GP LLC, its general partner

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RMCP GP LLC

/s/ Willem Mesdag
By: Willem Mesdag
Title: Authorized Signatory

RED MOUNTAIN CAPITAL MANAGEMENT, INC.

/s/ Willem Mesdag
By: Willem Mesdag
Title: President

WILLEM MESDAG

/s/ Willem Mesdag

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
1	Joint Filing Agreement, dated February 22, 2011, by and among certain of the Reporting Persons (incorporated by reference to Exhibit 1 to the Schedule 13D filed by the Reporting Persons with the SEC on February 22, 2011).
2	Standstill Agreement, dated as of August 30, 2011, by and between RadNet and RMCP LLC (incorporated by reference to Exhibit 2 to Amendment No. 1 to this Schedule 13D, filed by the Reporting Persons with the SEC on September 1, 2011).
3	Joint Filing Agreement dated as of April 15, 2013, by and among the Reporting Persons (filed herewith).