

ASTA FUNDING INC  
Form SC 13D/A  
November 23, 2016

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. 9)1

Asta Funding, Inc.

(Name of Issuer)

Common Stock, \$0.01 par value  
(Title of Class of Securities)

046220109  
(CUSIP Number)

STEVE WOLOSKY, ESQ.  
OLSHAN FROME WOLOSKY LLP  
1325 Avenue of the Americas  
New York, New York 10019  
(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

November 21, 2016  
(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 x.

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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1 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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CUSIP NO. 046220109

1 NAME OF REPORTING PERSON

THE MANGROVE PARTNERS MASTER FUND, LTD.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) x (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,005,701 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,005,701

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,005,701

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

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

33.8%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 046220109

1 NAME OF REPORTING PERSON

THE MANGROVE PARTNERS FUND, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) x (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,005,701 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,005,701

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,005,701

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

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

33.8%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 046220109

1 NAME OF REPORTING PERSON

MANGROVE PARTNERS FUND (CAYMAN), LTD.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) x (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,005,701 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,005,701

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,005,701

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

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

33.8%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 046220109

1 NAME OF REPORTING PERSON

MANGROVE PARTNERS

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) x (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,005,701 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,005,701

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,005,701

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

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

33.8%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 046220109

1 NAME OF REPORTING PERSON

MANGROVE CAPITAL

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) x (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,005,701 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,005,701

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,005,701

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

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

33.8%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 046220109

1 NAME OF REPORTING PERSON

NATHANIEL AUGUST

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a) x  
GROUP (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF	7	SOLE VOTING POWER
SHARES		
BENEFICIALLY		- 0 -
OWNED BY	8	SHARED VOTING POWER
EACH		
REPORTING		4,005,701
PERSON WITH	9	SOLE DISPOSITIVE POWER
	10	- 0 -
		SHARED DISPOSITIVE POWER
		4,005,701

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,005,701

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

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

33.8%

14 TYPE OF REPORTING PERSON

IN



CUSIP NO. 046220109

### EXPLANATORY NOTE

This Amendment No. 9 (this “Amendment No. 9”) amends Items 4, 5 and 6 to reflect changes to the Schedule 13D filed with the U.S. Securities and Exchange Commission (the “SEC”) on March 2, 2016, as amended by Amendment No. 1 to Schedule 13D filed with the SEC on March 17, 2016, as amended by Amendment No. 2 to Schedule 13D filed with the SEC on March 22, 2016, as amended by Amendment No. 3 to Schedule 13D filed with the SEC on April 5, 2016, as amended by Amendment No. 4 to Schedule 13D filed with the SEC on April 15, 2016, as amended by Amendment No. 5 to Schedule 13D filed with the SEC on April 28, 2016, as amended by Amendment No. 6 to the Schedule 13D filed with the SEC on May 12, 2016, as amended by Amendment No. 7 to the Schedule 13D filed with the SEC on May 19, 2016 and as amended by Amendment No. 8 to the Schedule 13D filed with the SEC on May 26, 2016 (as so amended, the “Schedule 13D”). Except as specifically provided herein, this Amendment No. 9 does not modify any of the information previously reported on the Schedule 13D. Capitalized terms used herein which are not defined herein have the meanings given to them in the Schedule 13D.

Item 4. Purpose of the Transaction.

Item 4 is hereby amended to add the following:

In connection with the termination of the Confidentiality Agreement, described more fully in Item 6, and prior to the termination of the Standstill Period, the Reporting Persons are intending to meet with the Board of Directors of the Issuer and the Issuer’s management to discuss amongst other items, the Issuer’s capital structure, management of the Issuer’s assets, Board composition and ways to enhance shareholder value, as well as potential transactions involving the Issuer and members of the Stern family, the Issuer’s other large stockholder. Following the Standstill Period, the Reporting Persons reserve the right to take any and all actions available to them as they deem appropriate, including, without limitation, making proposals concerning changes to the capitalization, ownership structure, Board composition or operations of the Issuer, purchasing additional securities of the Issuer, selling some or all of their securities of the Issuer, engaging in short selling of or any hedging or similar transaction with respect to the securities of the Issuer, or changing their intention with respect to any and all matters referred to in Item 4.

Item 5. Interest in Securities of the Issuer.

Items 5(a)-(c) are hereby amended and restated as follows:

The aggregate percentage of Shares reported owned by each person named herein is based upon 11,846,724 Shares outstanding, as of August 5, 2016, which is the total number of Shares outstanding as reported in the Issuer’s Form 10-Q filed with the Securities and Exchange Commission on August 9, 2016.

A. Mangrove Master Fund

(a) As of the close of business on the date hereof, Mangrove Master Fund directly owned 4,005,701 Shares.

Percentage: Approximately 33.8%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 4,005,701
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 4,005,701



CUSIP NO. 046220109

(c) The transactions in the Shares by Mangrove Master Fund during the past sixty (60) days are set forth in Schedule B and are incorporated herein by reference.

B. Mangrove Fund

(a) As of the close of business on the date hereof, Mangrove Fund, as a controlling shareholder of Mangrove Master Fund, may be deemed to beneficially own the 4,005,701 Shares directly owned by Mangrove Master Fund.

Percentage: Approximately 33.8%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 4,005,701
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 4,005,701

(c) Mangrove Fund has not entered into any transactions in the Shares during the past sixty (60) days.

C. Mangrove Fund Cayman

(a) As of the close of business on the date hereof, Mangrove Fund Cayman, as a significant shareholder of Mangrove Master Fund, may be deemed to beneficially own the 4,005,701 Shares directly owned by Mangrove Master Fund.

Percentage: Approximately 33.8%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 4,005,701
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 4,005,701

(c) Mangrove Fund Cayman has not entered into any transactions in the Shares during the past sixty (60) days.

D. Mangrove Partners

(a) As of the close of business on the date hereof, Mangrove Partners, as the investment manager of each of Mangrove Master Fund, Mangrove Fund and Mangrove Fund Cayman, may be deemed to beneficially own the 4,005,701 Shares directly owned by Mangrove Master Fund.

Percentage: Approximately 33.8%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 4,005,701
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 4,005,701

CUSIP NO. 046220109

(c) Mangrove Partners has not entered into any transactions in the Shares during the past sixty (60) days.

E. Mangrove Capital

(a) As of the close of business on the date hereof, Mangrove Capital, as the general partner of Mangrove Fund, may be deemed to beneficially own the 4,005,701 Shares directly owned by Mangrove Master Fund.

Percentage: Approximately 33.8%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 4,005,701
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 4,005,701

(c) Mangrove Capital has not entered into any transactions in the Shares during the past sixty (60) days.

F. Nathaniel August

(a) As of the close of business on the date hereof, Mr. August did not directly own any Shares. As a director of each of Mangrove Partners and Mangrove Capital, Mr. August may be deemed to beneficially own the 4,005,701 Shares directly owned by Mangrove Master Fund.

Percentage: Approximately 33.8%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 4,005,701
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 4,005,701

(c) Mr. August has not entered into any transactions in the Shares during the past sixty (60) days.

As of the close of business on the date hereof, the Reporting Persons collectively beneficially owned an aggregate of 4,005,701 Shares, constituting approximately 33.8% of the Shares outstanding.

Each of the Reporting Persons, as a member of a “group” with the other Reporting Persons for purposes of Rule 13d-5(b)(1) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), may be deemed to beneficially own the securities of the Issuer owned by the other Reporting Persons. The filing of this Schedule 13D shall not be deemed an admission that the Reporting Persons are, for purposes of Section 13(d) of the Exchange Act, the beneficial owners of any securities of the Issuer he or it does not directly own. Each of the Reporting Persons specifically disclaims beneficial ownership of the securities of the Issuer reported herein that he or it does not directly own.

CUSIP NO. 046220109

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

Item 6 is hereby amended to add the following:

On November 21, 2016, the Reporting Persons notified the Issuer in writing that they were terminating the Confidentiality Agreement by and among the Issuer and the Reporting Persons. Pursuant to the terms of the Confidentiality Agreement, the standstill provisions contained therein will expire 30 days following the tenth business day after the Reporting Persons termination of the Confidentially Agreement (the “Standstill Period”). Prior to the termination of the Standstill Period, the Reporting Persons are intending to meet with the Board of Directors of the Issuer and the Issuer’s management to discuss amongst other items, the Issuer’s capital structure, management of the Issuer’s assets, Board composition and ways to enhance shareholder value, as well as potential transactions involving the Issuer and members of the Stern family, the Issuer’s other large stockholder.

CUSIP NO. 046220109

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: November 23, 2016

THE MANGROVE PARTNERS MASTER FUND, LTD.

By: MANGROVE PARTNERS  
as Investment Manager

By: /s/ Ward Dietrich  
Name: Ward Dietrich  
Title: Authorized Person

THE MANGROVE PARTNERS FUND, L.P.

By: MANGROVE CAPITAL  
as General Partner

By: /s/ Ward Dietrich  
Name: Ward Dietrich  
Title: Authorized Person

MANGROVE PARTNERS FUND (CAYMAN), LTD.

By: MANGROVE PARTNERS  
as Investment Manager

By: /s/ Ward Dietrich  
Name: Ward Dietrich  
Title: Authorized Person

MANGROVE PARTNERS

By: /s/ Ward Dietrich  
Name: Ward Dietrich  
Title: Authorized Person



CUSIP NO. 046220109

MANGROVE CAPITAL

By:	/s/ Ward Dietrich	
Name:		Ward Dietrich
Title:		Authorized Person

/s/ Nathaniel August  
NATHANIEL AUGUST



