

RADIUS VENTURE PARTNERS I, L.P.
Form SC 13D
February 07, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Amendment No. __

Under the Securities Exchange Act of 1934

Patient Infosystems, Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

702915 10 9

(CUSIP Number)

Daniel C. Lubin

Radius Ventures Partners I, L.P.

400 Madison Avenue 8th Floor

New York, NY 10017

(Name, Address and Telephone Number of Person Authorized to

Receive Notices and Communications)

January 25, 2006

(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.

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7(b) 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).

(Continued on following page(s))

Page 1 of 13 pages

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

CUSIP No. 702915 10 9

SCHEDULE 13D

Radius Venture Partners I, L.P.

(1) Names of Reporting Persons. SS or I.R.S. Identification Nos. of Above Persons

(2) Check The Appropriate Box If A Member Of A Group

(a) :
(b) :X

(3) SEC Use Only

(4) Source Of Funds*

OO

(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

Number Of Shares	(7)	Sole Voting Power	
Beneficially Owned			6,431,776
By Each Reporting			
Person With	(8)	Shared Voting Power	
			- 0 -

(9) Sole Dispositive Power
6,431,776

(10) Shared Dispositive Power
- 0 -

(11) Aggregate Amount Beneficially Owned By Each Reporting Person
6,431,776

(12) Check If The Aggregate Amount In Row (11) Excludes Certain Shares* o

(13) Percent Of Class Represented By Amount In Row (11)
9.5%

(14) Type Of Reporting Person
PN

SEE INSTRUCTION BEFORE FILLING OUT!

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

CUSIP No. 702915 10 9

SCHEDULE 13D

Radius Venture Partners, L.L.C.

(1) Names of Reporting Persons. SS or I.R.S. Identification Nos. of Above Persons

(2) Check The Appropriate Box If A Member Of A Group

(a) :
(b) :X

(3) SEC Use Only

(4) Source Of Funds*

OO

(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

Number Of Shares Beneficially Owned By Each Reporting Person With	(7)	Sole Voting Power	6,431,776
	(8)	Shared Voting Power	- 0 -

(9) Sole Dispositive Power

6,431,776

(10) Shared Dispositive Power

- 0 -

(11) Aggregate Amount Beneficially Owned By Each Reporting Person

6,431,776

(12) Check If The Aggregate Amount In Row (11) Excludes Certain Shares* o

(13) Percent Of Class Represented By Amount In Row (11)

9.5%

(14) Type Of Reporting Person

OO

SEE INSTRUCTION BEFORE FILLING OUT!

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

CUSIP No. 702915 10 9

SCHEDULE 13D

Daniel C. Lubin

(1) Names of Reporting Persons. SS or I.R.S. Identification Nos. of Above Persons

(2) Check The Appropriate Box If A Member Of A Group

(a) :
(b) :X

(3) SEC Use Only

(4) Source Of Funds*

OO

(5) Check Box If Disclosure Of Legal Proceedings Is Required Pursuant To Items 2(d) Or 2(e) :

(6) Citizenship Or Place Of Organization

United States

Number Of Shares Beneficially Owned By Each Reporting Person With	(7)	Sole Voting Power	-0-
	(8)	Shared Voting Power	6,431,776

(9) Sole Dispositive Power -0-

(10) Shared Dispositive Power 6,431,776

(11) Aggregate Amount Beneficially Owned By Each Reporting Person
6,431,776

(12) Check If The Aggregate Amount In Row (11) Excludes Certain Shares* o

(13) Percent Of Class Represented By Amount In Row (11)
9.5%

(14) Type Of Reporting Person
IN

SEE INSTRUCTION BEFORE FILLING OUT!

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

CUSIP No. 702915 10 9

SCHEDULE 13D

Jordan S. Davis

(1) Names of Reporting Persons. SS or I.R.S. Identification Nos. of Above Persons

(2) Check The Appropriate Box If A Member Of A Group

(a) :
(b) :X

(3) SEC Use Only

(4) Source Of Funds*

OO

(5) Check Box If Disclosure Of Legal Proceedings Is Required Pursuant To Items 2(d) Or 2(e) :

(6) Citizenship Or Place Of Organization

United States

Number Of Shares	(7)	Sole Voting Power	-0-
Beneficially Owned			
By Each Reporting			
Person With	(8)	Shared Voting Power	6,431,776

(9) Sole Dispositive Power -0-

(10) Shared Dispositive Power 6,431,776

(11) Aggregate Amount Beneficially Owned By Each Reporting Person
6,431,776

(12) Check If The Aggregate Amount In Row (11) Excludes Certain Shares* o

(13) Percent Of Class Represented By Amount In Row (11)
9.5%

(14) Type Of Reporting Person
IN

SEE INSTRUCTION BEFORE FILLING OUT!

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

This Statement on Schedule 13D relates to an Agreement and Plan of Merger among Patient Infosystems, Inc. (*Patient Infosystems* or the *Company*), PATY Acquisition Corp., a Delaware corporation and wholly-owned subsidiary of Patient Infosystems (*Merger Sub*) and CCS Consolidated, Inc., a Delaware corporation (*CCS Consolidated*), dated as of September 19, 2005, as amended on November 22, 2005 and December 23, 2005 (as so amended, the *Merger Agreement*) pursuant to which on January 25, 2006 Merger Sub merged with and into CCS Consolidated and CCS Consolidated became a wholly-owned subsidiary of Patient Infosystems (the *Merger*). Each share of CCS Consolidated capital stock was converted into the right to receive shares of common stock of Patient Infosystems.

Item 1. Security and Issuer.

This Statement on Schedule 13D relates to the Common Stock, par value \$0.01 per share (the *Common Stock*), of the Company. The principal executive offices of the Company are located at 46 Prince Street, Rochester, NY 14601.

Item 2. Identity and Background.

(a) - (f). This statement is filed by Radius Venture Partners I, L.P., a Delaware limited partnership (the *Fund*) and Radius Venture Partners, L.L.C., a Delaware limited liability company and the general partner of the Fund (the *General Partner*).

The principal business of the Fund is venture capital investments. The principal business of the General Partner is to act as the General Partner of the Fund. The principal place of business of the General Partner and the Fund is 400 Madison Avenue, 8th Floor, New York, NY 10017.

The names of the directors or managers and executive officers of the Fund and the General Partner, their business addresses, their present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted other than the Fund and the General Partner are set forth in Exhibit 1, attached hereto and expressly incorporated herein by this reference. Jordan S. Davis and Daniel C. Lubin, as managing members of the General Partner may be deemed to beneficially own the securities owned by the Fund. Messrs. Davis and Lubin disclaim ownership of such securities except to the extent of their pecuniary interest therein.

During the past five years, neither the Fund, the General Partner nor any of the persons listed in Exhibit 1 has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or has 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 Fund previously purchased shares of CCS Consolidated capital stock from CCS Consolidated prior to the effectiveness of the Merger on January 25, 2006 (the *Previously Purchased CCS Consolidated Shares*). The source of the funds for the Previously Purchased CCS Consolidated Shares was the Fund's working capital.

Pursuant to the Merger Agreement, on January 25, 2006 Merger Sub merged with and into CCS Consolidated and CCS Consolidated became a wholly-owned subsidiary of Patient Infosystems. Each share of CCS Consolidated capital stock, including the Previously Purchased CCS Consolidated shares, was converted into the right to receive shares of common stock of Patient Infosystems.

Item 4. Purpose of Transaction.

The Merger Agreement provided for the acquisition by Patient Infosystems of all of the outstanding capital stock of CCS Consolidated through a merger of Acquisition Sub with and into CCS Consolidated, as a result of which CCS Consolidated became a wholly-owned subsidiary of Patient Infosystems. The acquisition of CCS Consolidated by Patient Infosystems was deemed to be a reverse merger. The shares acquired by the Fund in the Merger were acquired solely for investment purposes.

The Fund and certain other former stockholders of CCS Consolidated entered into a Stockholders Agreement at the closing of the merger pursuant to which the Fund has agreed to vote its shares of common stock of Patient Infosystems in favor of the election to the Board of Directors of John Pappajohn, a current director of the Company, or his designee; Derace Schaffer, a current director of the Company, or his designee; and three individuals designated by holders of at least a majority of the Company's common stock held by the former stockholders of CCS Consolidated who are parties to the Stockholders Agreement. As provided by the Stockholders Agreement, two additional directors may be added to the Company's board of directors, which individuals must satisfy independence requirements and must be unanimously approved by the other five members of the Company's Board of Directors.

Subject to the foregoing, none of the Reporting Persons have a present plan or proposal that relates to or would result in any of the actions specified in clauses (a) through (j) of Item 4 of Schedule 13D. However, each of the Reporting Persons reserves the right to propose or participate in future transactions which may result in one or more of such actions, including but not limited to, an extraordinary corporate transaction, such as a merger, reorganization or liquidation, sale of a material amount of assets of Patient Infosystems or its subsidiaries, or other transactions which might have the effect of causing Patient Infosystems' common stock to become eligible for termination of registration under Section 12(g) of the Securities Exchange Act of 1934. The Reporting Persons also retain the right to change their investment intent at any time, to acquire additional shares of common stock or other securities of Patient Infosystems from time to time, or to sell or otherwise dispose of all or part of the common stock beneficially owned by them (or any shares of common stock into which such securities are converted) in any manner permitted by law. The Reporting Persons may engage from time to time in ordinary course transactions with financial institutions with respect to the securities described herein.

The description contained in this Item 4 of the transactions contemplated by the Merger Agreement is qualified in its entirety by reference to the full text of the Merger Agreement, a copy of which is incorporated by reference in this Schedule 13D see Exhibit 2.1 through Exhibit 2.3.

Item 5. Interest in Securities of the Issuer.

(a) (b)

	Radius Venture Partners I,		Radius Ventures, LLC		Daniel C. Lubin		Jordan S. Davis	
	L.P.							
Beneficial Ownership	6,431,776		6,431,776		6,431,776		6,431,776	
Percentage of Class	9.5	%	9.5	%	9.5	%	9.5	%

Sole Voting Power	6,431,776	6,431,776	-0-	-0-
Shared Voting Power	-0-	-0-	6,431,776	6,431,776
Sole Dispositive Power	6,431,776	6,431,776	-0-	-0-
Shared Dispositive Power	-0-	-0-	6,431,776	6,431,776

(c) Not applicable.

(d) Not applicable.

(e) Not applicable.

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

Stockholders Agreement

As described in Item 4 of this Schedule 13D, at the closing of the Merger, the Company, Fund and Essex Woodlands Health Ventures Fund IV, L.P., Essex Woodlands Health Ventures Fund V, L.P., Hickory Venture Capital Corporation, Psilos Group Partners I, L.P., and Psilos Group Partners II, L.P. entered into a Stockholders Agreement, pursuant to which the Fund has agreed to vote its shares in favor of certain persons as directors of the Company. The description contained in this Schedule 13D of the Stockholders Agreement is qualified in its entirety by reference to the full text of the Stockholders Agreement, a copy of which is incorporated by reference in this Schedule 13D see Exhibit 10.89.

Lock-Up Agreements

As a condition to the closing of the Merger, the Fund was required to deliver to the Company a lockup agreement. Pursuant to the lockup agreement, the Fund has agreed not to sell, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any securities of the Company held by the Fund for a period of eighteen (18) months following the closing of the Merger, or until July 25, 2007, subject to certain limited exceptions. After the expiration of this 18-month period ending on July 25, 2007, and during each 3-month period thereafter until June 30, 2008, the Fund may sell a number of securities of the Company equal to the greater of:

1% of the number of shares of the Company's common stock outstanding as of the date of determination;
or

the average weekly reported volume of trading of the Company's common stock on all national securities exchanges and/or reported through the automated quotation system of a registered securities association during the four calendar weeks preceding the date of determination.

After June 30, 2008, all securities of the Company held by the Fund shall no longer be subject to the lockup agreements.

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

In addition, in the event that after July 25, 2007, there is either a change of control transaction involving the Company, or a primary offering of shares of the Company's common stock (or securities convertible into shares of the Company's common stock for no additional consideration) constituting at

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

least 25% of the shares of the Company's common stock then outstanding, then in each such case all securities of the Company held by the Fund will no longer be subject to the restrictions contained in the lockup agreement.

The description contained in this Schedule 13D of the Lockup Agreement is qualified in its entirety by reference to the full text of the form of Lockup Agreement, a copy of which is incorporated by reference in this Schedule 13D see Exhibit 10.99.

CCS Debt Escrow Agreement and Warrants to Purchase Common Stock of the Company

At the closing of the Merger, the Company, Albert Waxman as representative of the CCS Consolidated stockholders, and Continental Stock Transfer and Trust Company entered into an escrow agreement, pursuant to which 3,152,141 shares of the Company's common stock were placed into escrow for the benefit of the Fund and Essex Woodlands Health Ventures Fund V, L.P., Hickory Venture Capital Corporation, and Psilos Group Partners II, L.P. These stockholders have guaranteed the satisfaction of debt obligations of CCS Consolidated under a line of credit that became debt obligations of the Company by virtue of the Merger. In exchange for these guarantees to satisfy the obligations of CCS Consolidated, these former stockholders of CCS Consolidated, including the Fund, were issued warrants to purchase shares of capital stock of CCS Consolidated, which vested over time based on the outstanding line of credit balance. As part of the Merger, the unvested portion of these warrants were terminated and replaced by the Company with warrants to purchase shares of the Company's common stock (the **Replacement Warrants**). Each of the Replacement Warrants has an exercise price of \$0.003172 per share of the Company's common stock. These Replacement Warrants vest through November 17, 2006 based on the outstanding line of credit balance. If the Replacement Warrants vest in part or in full and are exercised in part or in full, the escrow agent will release to the holder of the Replacement Warrant the number of shares for which the Replacement Warrant has been exercised. To the extent that the Replacement Warrants do not vest or are not exercised in full, the shares of the Company's common stock underlying the Replacement Warrants will be released from escrow to all stockholders of CCS Consolidated at the effective time of the Merger in accordance with the Merger Agreement.

While the shares remain in the escrow account, such shares are to be voted in accordance with written instructions of Dr. Waxman as stockholder representative under the Merger Agreement.

Item 7. Material to be Filed as Exhibits.

Exhibit	Exhibit Description
1.1	List of Executive Officers and Directors/Managers of the Reporting Persons
1.2	Joint Filing Agreement, dated February 6, 2006
2.1 (1)	Agreement and Plan of Merger, dated September 19, 2005, by and among Patient Infosystems, Inc., PATY Acquisition Corp. and CCS Consolidated, Inc.
2.2 (2)	Amendment No. 1 to the Agreement and Plan of Merger, dated November 22, 2005, by and among Patient Infosystems, Inc., PATY Acquisition Corp. and CCS Consolidated, Inc.
2.3 (3)	Amendment No. 2 to the Agreement and Plan of Merger, dated December 23, 2005, by and among Patient Infosystems, Inc., PATY Acquisition Corp. and CCS Consolidated, Inc.

Edgar Filing: RADIUS VENTURE PARTNERS I, L.P. - Form SC 13D

10.89 (4) Stockholders Agreement, dated as of January 25, 2006, by and among Patient Infosystems, Inc. and certain of its stockholders

10.99 (4) Form of Lockup Agreement

- (1) Previously filed as Exhibit 10.88 to the Registrant's Report on Form 8-K filed with the Commission on September 23, 2005, and incorporated by reference herein.
- (2) Previously filed as Exhibit 10.96 to the Registrant's Report on Form 8-K filed with the Commission on November 29, 2005, and incorporated by reference herein.
- (3) Previously filed as Exhibit 10.97 to the Registrant's Report on Form 8-K filed with the Commission on December 23, 2005, and incorporated by reference herein.
- (4) Previously filed as an exhibit to the Registrant's Report on Form 8-K filed with the Commission on January 31, 2006, and incorporated by reference herein.

Signature

After reasonable inquiry and to the best of its knowledge and belief, the undersigned each certifies that the information set forth in this statement is true, complete and correct.

Date: February 6, 2006

RADIUS VENTURE PARTNERS I, L.P.

By: Radius Venture Partners, LLC, its General Partner

By: /s/ Daniel C. Lubin
Name: Daniel Lubin
Title: Managing Member

RADIUS VENTURE PARTNERS, L.L.C.

By: /s/ Jordan S. Davis

Jordan S. Davis, Managing Member

By: /s/ Daniel C. Lubin

Daniel C. Lubin, Managing Member

/s/ Daniel C. Lubin
Daniel C. Lubin

/s/ Jordan S. Davis
Jordan S. Davis

EXHIBIT 1.1

LIST OF EXECUTIVE OFFICERS AND DIRECTORS/MANAGERS

OF RADIUS VENTURE PARTNERS I, L.P. AND RADIUS VENTURE PARTNERS, L.L.C.

DIRECTORS/MANAGERS	BUSINESS ADDRESS	PRINCIPAL OCCUPATION
Jordan S. Davis	400 Madison Avenue, 8th Floor New York, NY 10017	Venture capitalist
Daniel C. Lubin	400 Madison Avenue, 8th Floor New York, NY 10017	Venture capitalist

OFFICERS	BUSINESS ADDRESS	PRINCIPAL OCCUPATION
	400 Madison Avenue, 8th Floor New York, NY 10017	

Exhibit 1.2

JOINT FILING AGREEMENT

Each of the undersigned agrees that (i) the statement on Schedule 13D relating to the Common Stock of Patient Infosystems, Inc., has been adopted and filed on behalf of each of them, (ii) all future amendments to such statement on Schedule 13D will, unless written notice to the contrary is delivered as described below, be jointly filed on behalf of each of them, and (iii) the provisions of Rule 13d-1(k)(1) under the Securities Exchange Act of 1934 apply to each of them. This agreement may be terminated with respect to the obligations to jointly file future amendments to such statement on Schedule 13D as to any of the undersigned upon such person giving written notice thereof to each of the other persons signature hereto, at the principal office thereof.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Date: February 6, 2006

RADIUS VENTURE PARTNERS I, L.P.

By: Radius Venture Partners, LLC, its General Partner

By: /s/ Daniel C. Lubin
Name: Daniel Lubin
Title: Managing Member

RADIUS VENTURE PARTNERS, L.L.C.

By: /s/ Jordan S. Davis

Jordan S. Davis, Managing Member

By: /s/ Daniel C. Lubin

Daniel C. Lubin, Managing Member

/s/ Daniel C. Lubin
Daniel C. Lubin

/s/ Jordan S. Davis
Jordan S. Davis