

Midwest Energy Emissions Corp.
 Form 4
 May 02, 2016

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Alterna Core Capital Assets Fund II, L.P.

(Last) (First) (Middle)

C/O ALTERNA CAPITAL PARTNERS LLC, 15 RIVER ROAD, SUITE 320

(Street)

WILTON, CT 06987

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Midwest Energy Emissions Corp. [MEEC]

3. Date of Earliest Transaction (Month/Day/Year)
 04/30/2016

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| | | | | Code | V | Amount | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Edgar Filing: Midwest Energy Emissions Corp. - Form 4

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|------------------|-----------------|--------------|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| 12% Senior Secured Convertible Note | \$ 0.5 ⁽¹⁾ _{(2) (3)} | 04/30/2016 | | J ⁽¹⁾⁽²⁾⁽³⁾ | | \$ 77,958 ^{(1) (2) (3)} ₍₄₎ | | ⁽⁶⁾ | ⁽⁷⁾ | Common Stock | \$ 77,958 ^{(1) (2) (3)} ₍₄₎ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Alterna Core Capital Assets Fund II, L.P. C/O ALTERNA CAPITAL PARTNERS LLC 15 RIVER ROAD, SUITE 320 WILTON, CT 06987 | | X | | |
| Alterna Capital Partners LLC C/O ALTERNA CAPITAL PARTNERS LLC 15 RIVER ROAD, SUITE 320 WILTON, CT 06897 | | X | | |
| Alterna General Partner II LLC C/O ALTERNA CAPITAL PARTNERS LLC 15 RIVER ROAD, SUITE 320 WILTON, CT 06897 | | X | | |
| AC Midwest Energy LLC C/O ALTERNA CAPITAL PARTNERS LLC 15 RIVER ROAD, SUITE 320 WILTON, CT 06897 | | X | | |
| Toll Harry V. C/O ALTERNA CAPITAL PARTNERS LLC 15 RIVER ROAD, SUITE 320 WILTON, CT 06897 | | X | | |
| Press Eric M. C/O ALTERNA CAPITAL PARTNERS LLC 15 RIVER ROAD, SUITE 320 WILTON, CT 06897 | | X | | |
| | | X | | |

Goldin Earle
C/O ALTERNA CAPITAL PARTNERS LLC
15 RIVER ROAD, SUITE 320
WILTON, CT 06897

FURNIVALL JAMES C
C/O ALTERNA CAPITAL PARTNERS LLC
15 RIVER ROAD, SUITE 230
WILTON, CT 06897 X

Miller Roger P.
C/O ALTERNA CAPITAL PARTNERS LLC
15 RIVER ROAD, SUITE 320
WILTON, CT 06897 X

Signatures

Thomas X. Fritsch, 05/02/2016
Attorney-In-Fact

**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

As previously reported, on August 14, 2014, the Issuer, the Issuer's wholly-owned subsidiary and AC Midwest Energy LLC ("AC Midwest") entered into a series of agreements, including a certain Financing Agreement (the "Original Financing Agreement"), pursuant to the terms of which AC Midwest purchased from the Issuer a 12% senior secured convertible note in the principal amount of \$10 million (the "Original Convertible Note") and a five year warrant (the "First Warrant") to purchase up to an additional 12,500,000 shares of the Issuer's common stock, par value \$0.001 per share (the "Common Stock"). The First Warrant is subject to percentage based anti-dilution protection requiring that the aggregate number of shares of Common Stock purchasable upon its initial exercise not be less than an amount equal to 15% of the Issuer's then outstanding shares of capital stock on a fully diluted basis.

(1) On March 16, 2015, the above-referenced parties entered into series of amendments related to the Original Financing Agreement, including (i) a Wavier and Amendment to Financing Agreement and Reaffirmation of Guaranty (the "Amended Financing Agreement"), pursuant to which the Issuer made a \$3 million payment toward the principal balance of the Original Convertible Note and the conversion price of the Original Convertible Note was adjusted to \$0.50 per share of Common Stock, and (ii) an amendment to the First Warrant, pursuant to which the exercise price of the First Warrant was adjusted to \$0.50 per share of Common Stock.

(3) On November 16, 2015, the above-referenced parties entered into a second series of amendments related to the Amended Financing Agreement (the "Second Amended Financing Agreement"), pursuant to which AC Midwest purchased from the Issuer an additional 12% senior secured convertible note in the principal amount of \$600,000 with a conversion price of \$0.50 per share of Common Stock (the "Second Convertible Note" and, together with the Original Convertible Note, the "Notes") and a five year warrant to purchase up to an additional 3,600,000 shares of Common Stock at an exercise price of \$0.35 per share of Common Stock (the "Second Warrant"). The Second Warrant is subject to percentage based anti-dilution protection requiring that the aggregate number of shares of Common Stock purchasable upon any exercise date not be less than an amount equal to 4.3% of the Issuer's then outstanding shares of capital stock on a fully diluted basis.

(4) Interest on the Notes is payable at a rate of 2% in cash and 10% in kind (the "PIK Interest") through August 13, 2016 and thereafter is payable entirely in cash. Interest is calculated on the basis of a 360-day year and actual days elapsed, and it accrues or is payable, as applicable, monthly in arrears on or before the last day of each calendar month. As of April 30, 2016, the outstanding principal balance of the Notes together with all accrued interest thereon was \$9,370,979. An additional \$80,695 of PIK Interest will accrue and become payable on the Notes through June 29, 2016.

(5) On January 28, 2016, the above-referenced parties entered into a third series of amendments related to the Second Amended Financing Agreement (the "Third Amended Financing Agreement" and, together with the Original Financing Agreement, Amended Financing Agreement and Second Amended Financing Agreement, the "Financing Agreement"), pursuant to which AC Midwest caused its bank to issue a standby letter of credit on behalf of the Issuer, in consideration of, among other things, the Issuer's issuance of a five year warrant to purchase up to an additional 2,000,000 shares of Common Stock at an exercise price of \$0.35 per share of Common Stock (the "Third Warrant"). The Third Warrant is subject to percentage based anti-dilution protection requiring that the aggregate number of shares of

Edgar Filing: Midwest Energy Emissions Corp. - Form 4

Common Stock purchasable upon its initial exercise not be less than an amount equal to 7.2% of the Issuer's then outstanding shares of capital stock on a fully diluted basis.

- (6) Immediately convertible.
- (7) The maturity date of the Notes is the earlier of (i) July 31, 2018, or (ii) the date on which the unpaid balance becomes due and payable pursuant to the terms of the Notes and Financing Agreement.

This statement is jointly filed by and on behalf of each of Alterna Core Capital Assets Fund II, L.P. ("Fund II"), Alterna Capital Partners LLC ("Alterna"), Alterna General Partner II LLC ("Fund II General Partner"), AC Midwest, Harry V. Toll, James C. Furnivall, Eric M.

- (8) Press, Roger P. Miller and Earle Goldin. AC Midwest is the record and direct beneficial owner of the securities covered by this statement. Fund II owns all of the outstanding equity interests of AC Midwest and may be deemed to beneficially own securities held by AC Midwest.

Alterna, in its capacity as investment adviser to Fund II, has the ability to direct the investment decisions of the Fund II, including the power to vote and dispose of securities held by AC Midwest and may be deemed to beneficially own securities held by AC Midwest.

- (9) Fund II General Partner, in its capacity as the general partner of Fund II, has the ability to direct the management of Fund II's business, including the power to direct the decisions of Fund II regarding the vote and disposition of securities held by AC Midwest and may be deemed to beneficially own securities held by AC Midwest.

Each of Messrs. Toll, Furnivall, Press and Miller, by virtue of their role as managing members of Alterna, and Mr. Goldin, by virtue of

- (10) his role as a member of Alterna, may be deemed to have shared power regarding the vote and disposition of securities held by AC Midwest and may be deemed to beneficially own securities held by AC Midwest.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.