

ARGYLE SECURITY, INC.  
Form SC 13D/A  
June 02, 2009

**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**  
**§240.13d-2(a)**  
**(Amendment No. 3)\***  
**Argyle Security, Inc.**

(Name of Issuer)

**Common Stock, par value \$0.0001**

(Title of Class of Securities)

**040311102**

(CUSIP Number)

**Mezzanine Management Limited**

**Century House**

**16 Par la Ville Road**

**Hamilton, Bermuda**

**Attention: Arthur Morris**

**(441) 296-8099**

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

**May 28, 2009**

(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 the disclosures provided in a prior cover page.

The information required in 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 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*).

CUSIP No. 040311102

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NAMES OF REPORTING PERSONS

1

Mezzanine Management Fund IV A, L.P.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

OO

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

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

United Kingdom

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

SHARES  
BENEFICIALLY 8

OWNED BY 4,941,100

SOLE DISPOSITIVE POWER

EACH  
REPORTING 9

PERSON 0  
WITH SHARED DISPOSITIVE POWER  
10  
4,941,100

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
4,941,100 shares of common stock

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
45.8%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)  
PN

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NAMES OF REPORTING PERSONS

1

Mezzanine Management Fund IV Coinvest A, L.P.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

OO

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

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

United Kingdom

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

SHARES  
BENEFICIALLY 8

OWNED BY 69,700

SOLE DISPOSITIVE POWER

EACH  
REPORTING 9

PERSON 0  
WITH SHARED DISPOSITIVE POWER  
10  
69,700

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

69,700 shares of common stock

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

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

1.1%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

PN

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NAMES OF REPORTING PERSONS

1

Mezzanine Management Limited

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

OO

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

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Bermuda

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY 8

5,010,800

SOLE DISPOSITIVE POWER

EACH REPORTING 9

PERSON 0  
WITH SHARED DISPOSITIVE POWER  
10  
5,010,800

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,010,800 shares of common stock

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

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

46.1%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

PN

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Amendment No. 3 to Schedule 13D

This Amendment No. 3 to Schedule 13D (this Third Amendment ) amends and supplements the Schedule 13D originally filed on May 5, 2008, as amended by Amendment No. 1 filed on January 15, 2009 and Amendment No. 2 filed on May 20, 2009 (the Schedule 13D ), and relates to the common stock, par value \$0.0001 (the Common Stock ), of Argyle Security, Inc., a Delaware corporation (the Issuer ). This Third Amendment is being filed by and on behalf of Mezzanine Management Fund IV A, L.P., a limited partnership organized under the laws of the United Kingdom ( Fund IV ), Mezzanine Management Fund IV Coinvest A, L.P., a limited partnership organized under the laws of the United Kingdom ( Fund IV Coinvest ), and Mezzanine Management Limited, a limited partnership organized under the laws of Bermuda ( Mezzanine ). Fund IV, Fund IV Coinvest, and Mezzanine are collectively referred to herein as the Reporting Persons.

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

Item 3 of the Schedule 13D is hereby amended and supplemented, with effect from the date of this Third Amendment, as follows:

On May 28 and May 29, 2009, the Reporting Persons acquired 166,000 and 242,500 shares of Common Stock, respectively, for an aggregate of 408,500 shares, in multiple open market transactions, with the purchase price ranging from \$0.84 to \$0.90 per share on May 28 and from \$0.91 to \$1.00 on May 29.

**Item 4. Purpose of the Transaction.**

Paragraphs (a), (b), (d), (e), (f), (h), (i) and (j) of Item 4 of the Schedule 13D are hereby amended and supplemented, with effect from the date of this Third Amendment, as follows:

On May 19, 2009, MML Capital Partners LLC, a Delaware limited liability company and an affiliate of the Reporting Persons ( MML ), made an offer on behalf of the Reporting Persons to acquire all of the outstanding shares of Common Stock for \$1.00 per share through a merger transaction (the Offer ), subject to the terms and conditions set forth in a letter submitted by MML to the Issuer s board of directors (the Initial Letter ). Unless the Initial Letter was accepted by the Issuer on or before 5:00 pm Eastern Daylight Time on May 29, 2009, the Offer would expire pursuant to its terms. On June 1, 2009, MML extended the deadline to 5:00 pm Eastern Daylight Time on June 12, 2009. A copy of the Initial Letter is attached hereto as Exhibit D and a copy of the letter extending the deadline for acceptance of the Offer is attached hereto as Exhibit E.

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

Item 5(c) of the Schedule 13D is hereby amended and supplemented, with effect from the date of this Third Amendment, as follows:

(c) On May 28 and May 29, 2009, the Reporting Persons acquired 166,000 and 242,500 shares of Common Stock, respectively, for an aggregate of 408,500 shares, in multiple

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open market transactions, with the purchase price ranging from \$0.84 to \$0.90 per share on May 28 and from \$0.91 to \$1.00 on May 29.

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

Item 7 of the Schedule 13D is hereby amended and restated, with effect from the date of this Third Amendment, as follows:

Exhibit A Joint Filing Agreement for the Third Amendment.

Exhibit B Series A Purchase Agreement (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed by the Issuer (File No. 000-1332585) with the SEC on April 25, 2008).

Exhibit C Series B Purchase Agreement (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed by the Issuer (File No. 000-1332585) with the SEC on January 9, 2009).

Exhibit D Letter from MML to the Issuer's Board of Directors dated May 19, 2009, describing the terms of the Offer (incorporated by reference to Exhibit B to Amendment No. 2 to Schedule 13D of MML filed on May 20, 2009).

Exhibit E Letter from MML to the Special Committee of the Issuer's Board of Directors dated June 1, 2009, extending the deadline for acceptance of the Offer.

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**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.

Date: June 1, 2009

MEZZANINE MANAGEMENT FUND IV A, L.P.

By: /s/ Christopher C. Morris

Name: Christopher C. Morris

Title: Authorized Signatory

MEZZANINE MANAGEMENT FUND IV COINVEST  
A, L.P.

By: /s/ Christopher C. Morris

Name: Christopher C. Morris

Title: Authorized Signatory

MEZZANINE MANAGEMENT LIMITED

By: /s/ Christopher C. Morris

Name: Christopher C. Morris

Title: Authorized Signatory

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EXHIBIT A

JOINT FILING AGREEMENT

The undersigned agree that this Third Amendment dated June 1, 2009, relating to Argyle Security, Inc., shall be filed on behalf of the undersigned.

MEZZANINE MANAGEMENT FUND IV A, L.P.

By: /s/ Christopher C. Morris

Name: Christopher C. Morris

Title: Authorized Signatory

MEZZANINE MANAGEMENT FUND IV COINVEST  
A, L.P.

By: /s/ Christopher C. Morris

Name: Christopher C. Morris

Title: Authorized Signatory

MEZZANINE MANAGEMENT LIMITED

By: /s/ Christopher C. Morris

Name: Christopher C. Morris

Title: Authorized Signatory