

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

| OMB APPROVAL | |
|--|-----------|
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| | | | |
|--|---|---|---|
| 1. Name and Address of Reporting Person* <u>CYRUS CAPITAL PARTNERS, L.P.</u> (Last) (First) (Middle) 65 E. 55TH STREET 35TH FLOOR (Street) NEW YORK NY 10022 (City) (State) (Zip) | 2. Date of Event Requiring Statement (Month/Day/Year) 01/01/2018 | 3. Issuer Name and Ticker or Trading Symbol <u>Sphere 3D Corp [ANY]</u> | |
| | | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below) | 5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| Common Stock | 1,019,196 | I | See Footnote ⁽¹⁾ |

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

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|-----------------|---|--|--|---|
| | Date Exercisable | Expiration Date | | | | |
| Convertible Promissory Notes | 12/01/2014 | 03/30/2018 | Common Stock 326,667 ⁽⁴⁾ | 75 | I | See Footnote ⁽²⁾⁽³⁾ |
| Warrant (Right to Buy) | 02/20/2015 | 02/20/2018 | Common Stock 4,000 | 112.5 | I | See Footnote ⁽²⁾⁽³⁾⁽⁵⁾ |
| Warrant (Right to Buy) | 03/06/2015 | 03/19/2018 | Common Stock 4,000 | 180.25 | I | See Footnote ⁽²⁾⁽³⁾⁽⁵⁾ |
| Warrant (Right to Buy) | 03/20/2015 | 03/20/2018 | Common Stock 4,000 | 125.5 | I | See Footnote ⁽²⁾⁽³⁾⁽⁵⁾ |
| Warrant (Right to Buy) | 12/21/2015 | 12/21/2018 | Common Stock 20,000 | 38.5 | I | See Footnote ⁽²⁾⁽³⁾⁽⁵⁾ |
| Warrant (Right to Buy) | 02/26/2016 | 02/26/2019 | Common Stock 20,000 | 40.5 | I | See Footnote ⁽²⁾⁽³⁾⁽⁵⁾ |

1. Name and Address of Reporting Person*
CYRUS CAPITAL PARTNERS, L.P.
 (Last) (First) (Middle)
 65 E. 55TH STREET
 35TH FLOOR
 (Street)
 NEW YORK NY 10022
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
CYRUS CAPITAL PARTNERS GP, LLC
 (Last) (First) (Middle)
 C/O CYRUS CAPITAL PARTNERS, L.P.
 65 E. 55TH STREET, 35TH FLOOR
 (Street)
 NEW YORK NY 10022
 (City) (State) (Zip)

1. Name and Address of Reporting Person*

FREIDHEIM STEPHEN C

(Last) (First) (Middle)

C/O CYRUS CAPITAL PARTNERS, L.P.
65 E. 55TH STREET, 35TH FLOOR

(Street)

NEW YORK NY 10022

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

CRESCENT 1 LP

(Last) (First) (Middle)

C/O CYRUS CAPITAL PARTNERS, L.P.
65 E. 55TH STREET, 35TH FLOOR

(Street)

NEW YORK NY 10022

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

Cyrus Select Opportunities Master Fund, Ltd.

(Last) (First) (Middle)

C/O CYRUS CAPITAL PARTNERS, L.P.
65 E. 55TH STREET, 35TH FLOOR

(Street)

NEW YORK NY 10022

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

CRS Master Fund, L.P.

(Last) (First) (Middle)

C/O CYRUS CAPITAL PARTNERS, L.P.
65 E. 55TH STREET, 35TH FLOOR

(Street)

NEW YORK NY 10022

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

Cyrus Opportunities Master Fund II, Ltd.

(Last) (First) (Middle)

C/O CYRUS CAPITAL PARTNERS, L.P.
65 E. 55TH STREET, 35TH FLOOR

(Street)

NEW YORK NY 10022

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

Cyrus Capital Advisors, L.L.C.

(Last) (First) (Middle)

C/O CYRUS CAPITAL PARTNERS, L.P.
65 E. 55TH STREET, 35TH FLOOR

(Street)

NEW YORK NY 10022

| | | |
|--|--------------------|-----------------------|
| (City) | (State) | (Zip) |
| 1. Name and Address of Reporting Person* | | |
| FBC HOLDINGS S.A.R.L. | | |
| (Last) | (First) | (Middle) |
| C/O CYRUS CAPITAL PARTNERS, L.P. | | |
| 65 E. 55TH STREET, 35TH FLOOR | | |
| (Street) | | |
| NEW YORK | NY | 10022 |
| (City) | (State) | (Zip) |

Explanation of Responses:

1. Cyrus Opportunities Master Fund II, Ltd. ("Cyrus Opportunities") directly owns 18,934 shares of Common Stock of the Issuer; CRS Master Fund, L.P. ("CRS") directly owns 6,058 shares of Common Stock of the Issuer; Crescent I, L.P. ("Crescent") directly owns 6,961 shares of Common Stock of the Issuer; Cyrus Select Opportunities Master Fund, Ltd. ("Cyrus Select") directly owns 3,057 shares of Common Stock of the Issuer; and FBC Holdings S.a r.l. ("FBC") directly owns 984,186 shares of Common Stock of the Issuer.

2. This statement is being filed by Cyrus Capital Partners, L.P. ("Cyrus"), Cyrus Capital Partners GP, L.L.C. ("Cyrus GP"), Cyrus Opportunities, CRS, Crescent, Cyrus Select, FBC, Cyrus Capital Advisors, L.L.C. ("Cyrus Advisors") and Stephen C. Freidheim (each of Cyrus, Cyrus GP, Cyrus Opportunities, CRS, Crescent, Cyrus Select, Cyrus Advisors, FBC and Mr. Freidheim, collectively the "Reporting Persons"). Each of Cyrus Opportunities, CRS, Crescent, Cyrus Select and FBC are private investment funds engaged in the business of acquiring, holding and disposing of investments in various companies. Cyrus is the investment manager of each of these private investment funds. Cyrus GP is the general partner of Cyrus. Cyrus Advisors is the general partner of Crescent and CRS. FBC is a wholly owned subsidiary of Cyrus Opportunities. CRS, Crescent, Cyrus Europe Master Fund, Ltd. and Cyrus Select. Mr. Freidheim is the managing member of Cyrus GP and Cyrus Advisors and is the CIO of Cyrus.

3. Pursuant to Rule 16a-1(a)(4) under the Exchange Act, this filing shall not be deemed an admission that each Reporting Person was, for the purposes of Section 16 of the Exchange Act or otherwise, the beneficial owner of any securities of the Issuer held by the Reporting Persons, and such beneficial ownership was and is expressly disclaimed by the Reporting Persons except to the extent of their pecuniary interest.

4. The Convertible Promissory Notes dated as of December 1, 2014 by and between the Issuer and FBC (the "Notes") and are convertible, in whole or in part, by the holder into a number of shares of Common Stock equal to the principal amount of the Notes being converted divided by \$75.00. The Notes are directly owned by FBC.

5. The Warrants are held directly by FBC.

Remarks:

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|---|-----------------------------------|
| <u>/s/Stephen C. Freidheim, Manager of Cyrus Capital Partners GP, L.L.C., the general partner of Cyrus Capital Partners, L.P.</u> | <u>02/23/2018</u> |
| <u>/s/Stephen C. Freidheim, Manager of Cyrus Capital Partners GP, L.L.C.</u> | <u>02/23/2018</u> |
| <u>/s/Stephen C. Freidheim, individually</u> | <u>02/23/2018</u> |
| <u>/s/ Stephen C. Freidheim, Manager of Cyrus Capital Partners GP, L.L.C., the managing member of Capital Advisors, L.L.C., the general partner of Crescent 1, L.P.</u> | <u>02/23/2018</u> |
| <u>/s/Stephen C. Freidheim, Authorized Signatory of Cyrus Select Opportunities Master Fund, Ltd.</u> | <u>02/23/2018</u> |
| <u>/s/Stephen C. Freidheim, Manager of Cyrus Capital Partners GP, LLC, the managing member of Cyrus Capital Advisors, L.L.C., the general partner of CRS Master Fund, L.P.</u> | <u>02/23/2018</u> |
| <u>/s/ Stephen C. Freidheim, Authorized Signatory of Cyrus Opportunities Master Fund II, Ltd.</u> | <u>02/23/2018</u> |
| <u>/s/Stephen C. Freidheim, Manager of Cyrus Capital Partners GP, L.L.C., the managing member of Cyrus Capital Advisors, L.L.C.</u> | <u>02/23/2018</u> |
| <u>/s/Stephen C. Freidheim, Manager of Cyrus Capital Partners GP, L.L.C., the general partner of Cyrus Capital Partners, L.P., as investment manager of the shareholders of FBC Holdings S.a r.l.</u> | <u>02/23/2018</u> |

** Signature of Reporting Person Date

* If the form is filed by more than one reporting person, see Instruction 5 (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).

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

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 Number.