

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

SCHEDULE 13D/A

Amendment No. 12

Under the Securities Exchange Act of 1934

DLH Holdings Corp.

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(Name of Issuer)

Common Stock, \$.001 par value

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(Title of Class of Securities)

87815U204

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(CUSIP Number)

Wynnefield Partners Small Cap Value, L.P.  
450 Seventh Avenue, Suite 509  
New York, New York 10123  
Attention: Mr. Nelson Obus

Copy to:

Jeffrey S. Tullman, Esq.  
Kane Kessler, P.C.

1350 Avenue of the Americas, 26<sup>th</sup> Floor  
New York, New York 10019  
(212) 541-6222

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

August 18, 2016

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(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 which 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. //.

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<b>1</b>	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only) Wynnefield Partners Small Cap Value, L.P. 13-3688497	
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
<b>3</b>	SEC USE ONLY	
<b>4</b>	SOURCE OF FUNDS (See Instructions) WC	
<b>5</b>	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E) <input type="checkbox"/>	
<b>6</b>	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER 1,175,579 (see Item 5)
	<b>8</b>	SHARED VOTING POWER -0- (see Item 5)
	<b>9</b>	SOLE DISPOSITIVE POWER 1,175,579 (see Item 5)
	<b>10</b>	SHARED DISPOSITIVE POWER -0- (see Item 5)
<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,175,579 (see Item 5)	
<b>12</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
<b>13</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 11.3%	
<b>14</b>	TYPE OF REPORTING PERSON (See Instructions) PN	

<b>1</b>	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only) Wynnefield Partners Small Cap Value, L.P. I 13-3953291	
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
<b>3</b>	SEC USE ONLY	
<b>4</b>	SOURCE OF FUNDS (See Instructions) WC	
<b>5</b>	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E) <input type="checkbox"/>	
<b>6</b>	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER 2,129,755 (see Item 5)
	<b>8</b>	SHARED VOTING POWER -0- (see Item 5)
	<b>9</b>	SOLE DISPOSITIVE POWER 2,129,755 (see Item 5)
	<b>10</b>	SHARED DISPOSITIVE POWER -0- (see Item 5)
<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 2,129,755 (see Item 5)	
<b>12</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
<b>13</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 20.4%	
<b>14</b>	TYPE OF REPORTING PERSON (See Instructions) PN	

<b>1</b>	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only) Wynnefield Small Cap Value Offshore Fund, Ltd. (No IRS Identification No.)	
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
<b>3</b>	SEC USE ONLY	
<b>4</b>	SOURCE OF FUNDS (See Instructions) WC	
<b>5</b>	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E) <input type="checkbox"/>	
<b>6</b>	CITIZENSHIP OR PLACE OF ORGANIZATION Cayman Islands	
<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER 983,765 (see Item 5)
	<b>8</b>	SHARED VOTING POWER -0- (see Item 5)
	<b>9</b>	SOLE DISPOSITIVE POWER 983,765 (see Item 5)
	<b>10</b>	SHARED DISPOSITIVE POWER -0- (see Item 5)
<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 983,765 (see Item 5)	
<b>12</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
<b>13</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.4%	
<b>14</b>	TYPE OF REPORTING PERSON (See Instructions) CO	

<b>1</b>	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only) Wynnefield Capital Management, LLC 13-4018186	
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
<b>3</b>	SEC USE ONLY	
<b>4</b>	SOURCE OF FUNDS (See Instructions) WC	
<b>5</b>	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E) <input type="checkbox"/>	
<b>6</b>	CITIZENSHIP OR PLACE OF ORGANIZATION New York	
<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER 3,305,334 (see Item 5)
	<b>8</b>	SHARED VOTING POWER - 0 - (see Item 5)
	<b>9</b>	SOLE DISPOSITIVE POWER 3,305,334 (see Item 5)
	<b>10</b>	SHARED DISPOSITIVE POWER - 0 - (see Item 5)
<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 3,305,334 (see Item 5)	
<b>12</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
<b>13</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 31.6%	
<b>14</b>	TYPE OF REPORTING PERSON (See Instructions) OO (Limited Liability Company)	

<b>1</b>	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only) Wynnefield Capital, Inc. (No IRS Identification No.)	
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
<b>3</b>	SEC USE ONLY	
<b>4</b>	SOURCE OF FUNDS (See Instructions) WC	
<b>5</b>	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E) <input type="checkbox"/>	
<b>6</b>	CITIZENSHIP OR PLACE OF ORGANIZATION Cayman Islands	
<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER 983,765 (see Item 5)
	<b>8</b>	SHARED VOTING POWER - 0 - (see Item 5)
	<b>9</b>	SOLE DISPOSITIVE POWER 983,765 (see Item 5)
	<b>10</b>	SHARED DISPOSITIVE POWER - 0 - (see Item 5)
<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 983,765 (see Item 5)	
<b>12</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
<b>13</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.4%	
<b>14</b>	TYPE OF REPORTING PERSON (See Instructions) CO	

<b>1</b>	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only) Wynnefield Capital, Inc. Profit Sharing Plan, Inc.		
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>		
<b>3</b>	SEC USE ONLY		
<b>4</b>	SOURCE OF FUNDS (See Instructions) N/A		
<b>5</b>	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E) <input type="checkbox"/>		
<b>6</b>	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware		
<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER 141,806 (see Item 5)	
	<b>8</b>	SHARED VOTING POWER - 0 - (see Item 5)	
	<b>9</b>	SOLE DISPOSITIVE POWER 141,806 (see Item 5)	
	<b>10</b>	SHARED DISPOSITIVE POWER - 0 - (see Item 5)	
<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 141,806 (see Item 5)		
<b>12</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>		
<b>13</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 1.4%		
<b>14</b>	TYPE OF REPORTING PERSON (See Instructions) CO		

<b>1</b>	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only) Nelson Obus	
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
<b>3</b>	SEC USE ONLY	
<b>4</b>	SOURCE OF FUNDS (See Instructions) WC	
<b>5</b>	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E) <input type="checkbox"/>	
<b>6</b>	CITIZENSHIP OR PLACE OF ORGANIZATION United States of America	
<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER - 0 - (see Item 5)
	<b>8</b>	SHARED VOTING POWER 4,430,905 (see Item 5)
	<b>9</b>	SOLE DISPOSITIVE POWER - 0 - (see Item 5)
	<b>10</b>	SHARED DISPOSITIVE POWER 4,430,905 (see Item 5)
<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,430,905 (see Item 5)	
<b>12</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
<b>13</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 42.4%	
<b>14</b>	TYPE OF REPORTING PERSON (See Instructions) IN	



<b>1</b>	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only) Joshua H. Landes	
<b>2</b>	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
<b>3</b>	SEC USE ONLY	
<b>4</b>	SOURCE OF FUNDS (See Instructions) WC	
<b>5</b>	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(E) <input type="checkbox"/>	
<b>6</b>	CITIZENSHIP OR PLACE OF ORGANIZATION United States of America	
<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER - 0 - (see Item 5)
	<b>8</b>	SHARED VOTING POWER 4,430,905 (see Item 5)
	<b>9</b>	SOLE DISPOSITIVE POWER - 0 - (see Item 5)
	<b>10</b>	SHARED DISPOSITIVE POWER 4,430,905 (see Item 5)
<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,430,905 (see Item 5)	
<b>12</b>	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) <input type="checkbox"/>	
<b>13</b>	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 42.4%	
<b>14</b>	TYPE OF REPORTING PERSON (See Instructions) IN	

This Amendment No. 12 (the "Amendment") amends the Statement of Beneficial Ownership on Schedule 13D, originally filed with the Securities and Exchange Commission (the "Commission") on March 18, 2005, and as amended by Amendment No. 1 filed on November 23, 2005, and further amended by Amendment No. 2 filed on January 30, 2007, and further amended by Amendment No. 3 filed on March 12, 2007, and further amended by Amendment No. 4 filed on March 26, 2007, and further amended by Amendment No. 5 filed on February 29, 2008, and further amended by Amendment No. 6 filed on March 20, 2008, and further amended by Amendment No. 7 filed on July 8, 2011, and further amended by Amendment No. 8 filed on August 8, 2011 and further amended by Amendment No. 9 filed on June 22, 2012 and further amended by Amendment No. 10 filed on November 5, 2013 and further amended by Amendment No. 11 on May 6, 2016 (the "Statement") by Wynnefield Partners Small Cap Value, L.P. (the "Partnership"), Wynnefield Partners Small Cap Value, L.P. I (the "Partnership-I"), Wynnefield Small Cap Value Offshore Fund, Ltd. (the "Fund"), Wynnefield Capital Management, LLC ("WCM"), Wynnefield Capital, Inc. ("WCI"), , Wynnefield Capital Inc. Profit Sharing & Money Purchase Plan Inc. ("Profit Sharing Plan"), Nelson Obus ("Mr. Obus"), and Joshua Landes ("Mr. Landes"), with respect to shares of common stock, \$0.001 par value (the "Shares"), of DLH Holdings Corp., a New Jersey corporation with its principal executive offices located at 300 Atrium Drive, South Plainfield, NJ 08873 (the "Issuer"). Unless specifically amended hereby, the disclosures set forth in the Statement shall remain unchanged.

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

Item 5 of the Statement is hereby amended and restated in its entirety as follows:

(a) - (b) As of August 18, 2016, the Wynnefield Reporting Persons beneficially owned in the aggregate 4,430,905 Shares, constituting approximately 42.4% of the outstanding Shares (the percentage of Shares owned being based upon 10,460,166 Shares outstanding, which is comprised of (i) 10,406,547 Shares outstanding on July 31, 2016, as set forth in the Issuer's most recent report on Form 10-Q for the quarter ended June 30, 2016, filed with the Securities and Exchange Commission (the "Commission") on August 10, 2016; and (ii) an aggregate of 53,619 Shares issuable to the Wynnefield Reporting Persons upon exercise of the Warrants (as defined herein). The following table sets forth certain

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information with respect to Shares directly beneficially owned by the Wynnefield Reporting Persons listed below:

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage of Outstanding Shares</u>
Partnership*	1,175,579	11.3%
Partnership-I**	2,129,755	20.4%
Fund***	983,765	9.4%
Profit Sharing Plan****	141,806	1.4%

\* WCM has an indirect beneficial ownership interest in these Shares. Percentage of outstanding Shares is based on 10,406,547 outstanding Shares, plus 17,694 Shares issuable upon exercise of the Warrants held by Partnership.

\*\* WCM has an indirect beneficial ownership interest in these Shares. Percentage of outstanding Shares is based on 10,406,547 outstanding Shares, plus 25,201 Shares issuable upon exercise of the Warrants held by Partnership-I.

\*\*\* WCI has an indirect beneficial ownership interest in these Shares. Percentage of outstanding Shares is based on 10,406,547 outstanding Shares, plus 10,724 Shares issuable upon exercise of the Warrants held by Partnership-I

\*\*\*\* Mr. Obus and Mr. Landes have an indirect beneficial ownership in these Shares.

WCM is the sole general partner of Wynnefield Partners and Wynnefield Partners I and, accordingly, may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 under the Exchange Act) of the Common Stock that Wynnefield Partners and Wynnefield Partners I beneficially own. WCM, as the sole general partner of Wynnefield Partners and Wynnefield Partners I, has the sole power to direct the voting and disposition of the Common Stock that Wynnefield Partners and Wynnefield Partners I beneficially own. Messrs. Obus and Landes are the co-managing members of WCM and, accordingly, each of Messrs. Obus and Landes may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 under the Exchange Act) of the Common Stock that WCM may be deemed to beneficially own. Each of Messrs. Obus and Landes, as co-managing members of WCM, share the power to direct the voting and disposition of the shares of Common Stock that WCM may be deemed to beneficially own.

WCI is the sole investment manager of Wynnefield Offshore and, accordingly, may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 under the Exchange Act) of the Common Stock that Wynnefield Offshore beneficially owns. WCI, as the sole investment manager of Wynnefield Offshore, has the sole power to direct the voting and disposition of the Common Stock that Wynnefield Offshore beneficially owns. Messrs. Obus and Landes are executive officers of WCI and, accordingly, each may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 under the Exchange Act) of the Common Stock that WCI may be deemed to beneficially own. Messrs. Obus and Landes, as executive officers of WCI, share the power to direct the voting and disposition of the shares of Common Stock that WCI may be deemed to beneficially own.

The Plan is an employee profit sharing plan. Messrs. Obus and Landes are the co-trustees of the Plan and accordingly, Messrs. Obus and Landes may be deemed to be the indirect beneficial owner (as that term is defined under Rule 13d-3 under the Exchange Act) of the shares of Common Stock that the Plan may be deemed to beneficially own. Each of Messrs. Obus and Landes, as the trustees of the Plan, shares with the other the power to direct the voting and disposition of the shares of Common Stock beneficially owned by the Plan.

Beneficial ownership of the Shares shown on the cover pages of and set forth elsewhere in this Statement for each member of the Wynnefield Reporting Persons assumes that they have not formed a group for purposes of Section 13(d)(3) under the Exchange Act, and Rule 13d-5(b)(1) promulgated thereunder. If the members of the Wynnefield Reporting Persons were deemed to have formed a group for purposes of Section 13(d)(3) and Rule 13d-5(b)(1), the group would be deemed to own beneficially (and may be deemed to have shared voting and dispositive power over) 4,430,905 Shares, constituting approximately 42.4% of the outstanding Shares (the percentage of Shares owned being based upon 10,460,166 Shares outstanding, which is comprised of (i) 10,406,547 Shares outstanding on July 31, 2016, as set forth in the Issuer's most recent report on Form 10-Q for the quarter ended June 30, 2016, filed with the Commission on August 10, 2016; and (ii) an aggregate of 53,619 Shares issuable to the Wynnefield Reporting Persons upon exercise of the Warrants.

The filing of this Statement and any future amendment by the Wynnefield Reporting Persons, and the inclusion of information herein and therein with respect to WCM, WCI and Messrs. Obus and Landes, shall not be considered an admission that any of such persons, for the purpose of Section 16(b) of the Exchange Act, are the beneficial owners of any shares in which such persons do not have a pecuniary interest. Each of WCM, WCI and Messrs. Obus and Landes disclaims any beneficial ownership of the shares covered by this Statement.

Except as set forth below, to the best knowledge of the Wynnefield Reporting Persons, except as described in this Statement, none of the Wynnefield Reporting Persons, any general partner, executive officer or director thereof, as applicable, beneficially owns any Shares, and there have been no transactions in the Shares affected during the past 60 days, by the Wynnefield Reporting Persons, any person in control of the Wynnefield Reporting Persons (ultimately or otherwise), or any general partner, executive officer or director thereof, as applicable.

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(d) No person, other than each member of the Wynnefield Reporting Persons referred to as the direct beneficial owner of the shares of Common Stock set forth in this response to Item 5, has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such shares of Common Stock.

(e) Not applicable.

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

Item 6 of the Statement is hereby amended by the addition of the following:

On July 1, 2016, the Issuer filed a registration statement on Form S-3 with the Securities and Exchange Commission (the "Commission") for a rights offering in which existing stockholders of the Issuer will receive non-transferable rights to purchase up to an aggregate of \$2.65 million of additional Shares (the "Rights Offering"). Under the terms of the Rights Offering, the Issuer will distribute, at no charge to the holders of its Shares as of the record date of August 19, 2016, non-transferable subscription rights for each Share owned on the record date. Each subscription right will entitle the holder to purchase 0.06827 Shares at a price of \$3.73 per whole share, resulting in the issuance of up to 710,455 Shares. The Issuer's Registration Statement on Form S-3 for the Rights Offering was declared effective on August 18, 2016 by the Commission.

On August 18, 2016, WCI entered into a standby purchase agreement with the Issuer (the "Standby Purchase Agreement") pursuant to which WCI (or its affiliated assignees) has agreed to acquire from Issuer, subject to the satisfactions of specified conditions, Shares not otherwise purchased by the Issuer's shareholders (including WCI and its affiliates) in the Rights Offering, up to a maximum amount of \$2.5 million of Shares. The per share price to be paid by WCI (or its assignees) pursuant to the Standby Purchase Agreement will be equal to the subscription price for the Rights Offering, which is \$3.73 per Share, and the subscription price may be paid through retirement of existing indebtedness of the Issuer to WCI.

The Standby Purchase Agreement provides that it may be terminated at any time prior to the closing date by WCI by written notice to the Issuer if there is a material adverse effect or a market adverse effect that is not cured within a cure period of 21 days. The Standby Purchase Agreement contains closing conditions and covenants of the parties which are customary for an agreement of this nature. The Standby Purchase Agreement may be terminated by the Company or by WCI by written notice to the other party: at any time prior to the closing date, if there is a material breach of the agreement by the other party that is not cured within 15 days after the non-breaching party has delivered written notice to the breaching party of the breach; at any time after October 30, 2016, unless the closing has occurred prior to such date; and consummation of the offering to the standby purchaser is prohibited by law, rule or regulation. The Standby Purchase Agreement also provides that it may be terminated by the Issuer in the event it determines that it is not in the best interests of the Issuer and its shareholders to proceed with the Rights Offering.

The description of the Standby Purchase Agreement contained herein is not intended to be complete and is qualified in its entirety by reference to the full text of the Standby Purchase Agreement, a copy of which is attached hereto as Exhibit 1 and which is incorporated herein by reference.

**Item 7. Material to be filed as Exhibit.**

Exhibit 1 Standby Purchase Agreement dated as of August 18, 2016, between the Issuer and Wynnefield Capital, Inc.

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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: August 19, 2016

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I

By: Wynnefield Capital Management, LLC,  
its General Partner

By: /s/ Nelson Obus  
Nelson Obus, Co-Managing Member

WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P.

By: Wynnefield Capital Management, LLC,  
its General Partner

By: /s/ Nelson Obus  
Nelson Obus, Co-Managing Member

WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.

By: Wynnefield Capital, Inc.,  
its Investment Manager

By: /s/ Nelson Obus  
Nelson Obus, President

WYNNEFIELD CAPITAL, INC. PROFIT SHARING & MONEY PURCHASE PLAN

By: /s/ Nelson Obus  
Nelson Obus, Co-Trustee

WYNNEFIELD CAPITAL MANAGEMENT, LLC

By: /s/ Nelson Obus  
Nelson Obus, Co-Managing Member

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WYNNEFIELD CAPITAL, INC.

By: /s/ Nelson Obus  
Nelson Obus, President

/s/ Nelson Obus  
Nelson Obus, Individually

/s/ Joshua Landes  
Joshua Landes, Individually

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## STANDBY PURCHASE AGREEMENT

This **STANDBY PURCHASE AGREEMENT** (this “**Agreement**”), dated as of August 18, 2016, is by and among DLH Holdings Corp. (the “**Company**”), and Wynnefield Capital, Inc. (the “**Standby Purchaser**”).

### WITNESSETH:

**WHEREAS**, the Company proposes pursuant to the Registration Statement (as defined herein), to commence an offering to holders of its common stock, par value \$0.001 per share (the “**Common Stock**”), of record as of the close of business on August 19, 2016 (the “**Record Date**”), of non-transferable rights (the “**Rights**”) to subscribe for and purchase additional shares of Common Stock (the “**Rights Offering**”); and

**WHEREAS**, pursuant to the Rights Offering, the Company will distribute to each of its shareholders of record as of the Record Date, at no charge, one Right for each share of Common Stock held by such shareholders as of the Record Date; each Right will entitle the holder to purchase up to 0.06827 shares of Common Stock for a purchase price of \$3.73 per whole share (“**Share**”) (the “**Subscription Price**”);

**WHEREAS**, each holder of Rights who exercises in full its Rights in the Rights Offering (the “**Basic Subscription Privilege**”) will be entitled to subscribe for additional shares of Common Stock to the extent they are available, at the Subscription Price (the “**Over-Subscription Privilege**”) in proportion to the number of shares of Common Stock owned by each such holder on the Record Date, relative to the number of shares owned on the Record Date by all shareholders exercising the Over-Subscription Privilege; and

**WHEREAS**, in order to facilitate the Rights Offering, the Company has requested the Standby Purchaser to agree, and the Standby Purchaser has agreed, to acquire up to 670,241 shares of Common Stock from the Company at the Subscription Price, or an aggregate of \$2,500,000, upon the terms and conditions set forth herein (the “**Committed Offering**”); and

**NOW THEREFORE**, in consideration of the foregoing and the mutual covenants herein contained and other good and valuable consideration, the parties hereto, intending to be legally bound hereby, agree as follows:

**Section 1. Certain Other Definitions.** The following terms used herein shall have the meanings set forth below:

“**Affiliate**” shall mean an affiliate (as defined in Rule 12b-2 under the Exchange Act) of such Standby Purchaser; *provided* that the Standby Purchaser or any of his affiliates exercises investment authority with respect to such affiliate, including, without limitation, voting and dispositive rights with respect to such affiliate.

“**Agreement**” shall have the meaning set forth in the preamble hereof.

“**Basic Subscription Privilege**” shall have the meaning set forth in the recitals hereof.

“**Board**” shall mean the Board of Directors of the Company.

“**Business Day**” shall mean any day that is not a Saturday, a Sunday or a day on which banks are generally closed in the State of New York.

“**Closing**” shall mean the closing of the purchases described in Section 2 hereof, which shall be held at the offices of Continental Stock Transfer Company, at 10:00 a.m., Eastern Time, on the Closing Date or at such other place and time as shall be agreed upon by the parties hereto, and in no event more than five (5) business days after completion of the Rights Offering.

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“**Closing Date**” shall mean the date of the Closing.

“**Commission**” shall mean the United States Securities and Exchange Commission, or any successor agency thereto.

“**Committed Offering**” shall have the meaning set forth in the recitals hereof.

“**Common Stock**” shall have the meaning set forth in the recitals hereof.

“**Company**” shall have the meaning set forth in the preamble hereof.

“**Cure Period**” shall have the meaning set forth in Section 8(a) hereof.

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the Commission thereunder.

“**Material Adverse Effect**” shall mean a material adverse effect on the financial condition, or on the earnings, financial position, shareholders’ equity, operations, assets, results of operations, regulatory compliance or business of the Company and the Subsidiaries taken as a whole; *provided* that the meaning shall exclude any changes from general economic, industry, market or competitive conditions or changes in laws, rules or regulations generally affecting Persons of similar size operating in the Company’s industry so long as such change does not materially disproportionately adversely affect the Company and the Subsidiaries taken as a whole as compared to such other Persons in the industry.

“**Over-Subscription Privilege**” shall have the meaning set forth in the recitals hereof.

“**Permitted Assignee**” shall mean an affiliated entity of any Standby Purchaser who agrees to be bound by the terms hereof.

“**Person**” shall mean an individual, corporation, partnership, association, joint stock company, limited liability company, joint venture, trust, governmental entity, unincorporated organization or other legal entity.

“**Prospectus**” shall mean the final Prospectus, including any information relating to the offer and sale of Rights and Common Stock including the offer and sale of Common Stock to the Standby Purchaser, that is filed with the Commission pursuant to Rule 424(b) and deemed by virtue of Rule 430A of the Securities Act to be part of such Registration Statement, each as amended, for use in connection with the offer and sale of such securities.

“**Record Date**” shall have the meaning set forth in the recitals hereof.

“**Registration Statement**” shall mean the Company’s Registration Statement on Form S-3 initially filed with the Commission on July 1, 2016, as amended, together with all exhibits thereto and the Prospectus and any prospectus supplement, relating to the offer and sale of Rights and Common Stock in the Rights Offerings including (subject to Section 2(a) and the limitations under Section 4(b)) the offer and sale of Common Stock to the Standby Purchaser, pursuant to which the offer and sale of such securities have been registered pursuant to the Securities Act.

“**Rights**” shall have the meaning set forth in the recitals hereof.

“**Rights Offering**” shall have the meaning set forth in the recitals hereof.

“**Securities Act**” shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated by the Commission thereunder.

“**Standby Purchaser**” shall mean the Standby Purchaser named in the recitals hereof.

“**Subscription Price**” shall have the meaning set forth in the recitals hereof.

“**Subsidiary**” or “**Subsidiaries**” shall mean DLH Solutions, Inc., Danya International, LLC and any other direct or indirect subsidiary of the Company.

**Section 2. Standby Purchase Commitment.**

(a) The Standby Purchaser hereby agrees to purchase from the Company, and the Company hereby agrees to sell to the Standby Purchaser, at the Subscription Price, up to 670,241 shares of Common Stock in the Committed Offering, if and only to the extent that such shares of Common Stock are available after the exercise of the Basic Subscription Privilege and the Over-Subscription Privilege.

(b) Payment shall be made to the Company by the Standby Purchaser, on the Closing Date, against delivery of the Common Stock purchased by the Standby Purchaser, in United States dollars by means of certified or cashier’s checks, bank drafts, money orders, wire transfers or cancellation of indebtedness.

**Section 3. Representations and Warranties of the Company.** The Company represents and warrants to the Standby Purchaser as follows:

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey and has all requisite corporate power and authority to carry on its business as now conducted.

(b) This Agreement has been duly and validly authorized, executed and delivered by the Company and constitutes a binding obligation of the Company enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors’ rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

(c) Prior to Closing, the Registration Statement will have been declared effective by the Commission and no stop order will have been issued with respect thereto and no proceedings therefore will have been initiated or, to the knowledge of the Company, threatened by the Commission, and any request on the part of the Commission for additional information will have been complied with. On the effective date, the Registration Statement will comply in all material respects with the requirements of the Securities Act and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. On the Closing Date, the Registration Statement and the Prospectus will not include an untrue statement of a material fact nor omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or the Prospectus made in reliance upon and in conformity with the information furnished to the Company in writing by the Standby Purchaser expressly for use in the Registration Statement or in the Prospectus pursuant to Section 6(c) below.

(d) All of the shares of Common Stock issued in the Rights Offering will have been duly authorized for issuance prior to the Closing, and, when issued and distributed as set forth in the Prospectus, will be validly issued, fully paid and non-assessable; and none of the shares of Common Stock issued in the Rights Offering will have been issued in violation of the preemptive rights of any security holders of the Company arising as a matter of law or under or pursuant to the Company’s Articles of Incorporation (as amended through the Closing Date), Amended and Restated Bylaws, or any material agreement or instrument to which the Company is a party or by which it is bound.

(e) Neither the Company nor any Subsidiary is in violation of its charter, certificate of trust or by-laws or in default under any agreement, indenture or instrument to which the Company or any Subsidiary is a party, the effect of which violation or default could reasonably be expected to have a Material Adverse Effect on the Company and the Subsidiaries taken as a whole, and the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby will not conflict with, or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the assets of the Company or any Subsidiary pursuant to the terms of any agreement, indenture or instrument to which the Company or any Subsidiary is a party which lien, charge or encumbrance could reasonably be expected to have a Material Adverse Effect on the Company and the Subsidiaries taken as a whole, or result in a violation of the articles of incorporation, charter, or by-laws of the Company or any Subsidiary or any order, rule or regulation of any court or governmental agency having jurisdiction over the Company, any Subsidiary or any of their property; and, except as required by the Securities Act, the Exchange Act, and applicable state securities law, no consent, authorization or order of, or filing or registration with, any court or governmental agency is required for the execution, delivery and performance of this Agreement.

(f) The Company and the Subsidiaries have taken all actions necessary to ensure that the transactions contemplated by this Agreement, individually or in the aggregate, shall not give rise to a change in control under, or result in the breach or the violation of, or the acceleration of any right under, or result in any additional rights, or the triggering of any rights of first refusal, preferential purchase or similar rights with respect to any securities of the Company, anti-dilution adjustment under any contract or agreement to which the Company or any Subsidiary is a party, including, without limitation, any employment agreement or employee benefit plan of the Company or any Subsidiary. Such actions may include, without limitation, having any such contracts or agreements or rights granted under any such contract or agreement waived in writing or amended prior to Closing.

(g) The Company's Board of Directors has approved this Agreement and the transactions contemplated by this Agreement to the extent required by the laws, regulations and policies of the State of New Jersey and the Nasdaq Capital Market, and such laws, regulations and policies do not require that the Company's shareholders approve the Agreement and the transactions contemplated by the Agreement.

(h) The Prospectus and the Rights Offering subscription documents contain adequate and appropriate disclosure and binding covenants limiting shareholders in the Over-Subscription Privilege to a number of shares equal to 100% of the shares owned by such shareholder as of the Record Date.

**Section 4. Representations and Warranties of the Standby Purchaser.** The Standby Purchaser (and any Permitted Assignee for an on behalf of itself as if it were executing this Agreement) represents and warrants to the Company as follows:

(a) Each Standby Purchaser has the relevant entity power and authority to perform its obligations under this Agreement.

(b) The Standby Purchaser is acquiring the shares of Common Stock purchased hereunder for its own account, with the intention of holding such securities for investment and with no present intention of participating, directly or indirectly, in a distribution of such securities. The Standby Purchaser understands that the shares of Common Stock purchased by it hereunder shall be deemed "restricted securities" under the Securities Act and shall bear a restrictive legend to that effect.

(c) The Standby Purchaser is familiar with the business in which the Company is engaged, and based upon its knowledge and experience in financial and business matters, it is familiar with the investments of the type that it is undertaking to purchase; it is fully aware of the problems and risks involved in making an investment of this type; and it is capable of evaluating the merits and risks of this investment. The Standby Purchaser acknowledges that, prior to executing this Agreement, it has had the opportunity to ask questions of and receive answers or obtain additional information from a representative of the Company concerning the financial and other affairs of the Company.

(d) This Agreement has been duly and validly executed and delivered by such Standby Purchaser and constitutes a binding obligation of the Standby Purchaser enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

(e) The Standby Purchaser understands that the Commission may express the position that shares of Common Stock purchased by the Standby Purchaser are deemed "restricted securities" as such term is defined in Rule 144 promulgated under the Securities Act ("Rule 144"), and they may not be sold except pursuant to Rule 144 or pursuant to a registration statement under the Securities Act. Further, the following legends (or similar language) shall be placed on such certificate(s) representing the shares of Common Stock:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT"), OR ANY STATE SECURITIES LAWS AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.

#### **Section 5. Deliveries at Closing.**

(a) At the Closing, the Company shall deliver to the Standby Purchaser a certificate or certificates representing the shares of Common Stock issued to the Standby Purchaser pursuant to Section 2 hereof.

(b) At the Closing, the Standby Purchaser shall deliver to the Company payment in an amount equal to the Subscription Price multiplied by the number of shares of Common Stock purchased by the Standby Purchaser.

#### **Section 6. Covenants.**

(a) Covenants. The Company agrees and covenants with the Standby Purchaser, between the date hereof and the earlier of the Closing Date or the effective date of any termination pursuant to Section 8 hereof, as follows:

(i) To use commercially reasonable efforts to effectuate the Rights Offering;

(ii) As soon as reasonably practicable after the Company is advised or obtains knowledge thereof, to advise the Standby Purchaser with a confirmation in writing, of (A) the time when the Prospectus or any amendment or supplement thereto has been filed, (B) the issuance by the Commission of any stop order, or of the initiation or threatening of any proceeding, suspending the effectiveness of the Registration Statement or any amendment thereto or any order preventing or suspending the use of any preliminary prospectus or the Prospectus or any amendment or supplement thereto, (C) the issuance by any state securities commission of any notice of any proceedings for the suspension of the qualification of the Common Stock for offering or sale in any jurisdiction or of the initiation, or the threatening, of any proceeding for such purpose, (D) the receipt of any comments from the Commission directed toward the Registration Statement or any document incorporated therein by reference and (E) any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information. The Company will use its commercially reasonable efforts to prevent the issuance of any such order or the imposition of any such suspension and, if any such order is issued or suspension is imposed, to obtain the withdrawal thereof as promptly as possible;

(iii) To operate the Company's business in the ordinary course of business consistent with past practice;

(iv) To notify the Standby Purchaser, on a daily basis or at such time as the Standby Purchaser may request, of the aggregate number of subscriptions received pursuant to the Basic Subscription Privilege and the Over-Subscription Privilege in the Rights Offering;

(v) Not to issue any shares of capital stock of the Company, or options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, securities convertible into or exchangeable for capital stock of the Company, or other agreements or rights to purchase or otherwise acquire capital stock of the Company, except for (i) shares of Common Stock issuable upon exercise of the Company's presently outstanding stock options or other issued and outstanding convertible or derivative securities as of the date hereof and (ii) restricted shares of Common Stock, options to purchase shares of Common Stock, or other awards made in the ordinary course of business and as authorized pursuant to the Company's 2016 Omnibus Equity Incentive Plan; and

(vi) filing on a timely basis all reports required to be filed by the Company pursuant to the Exchange Act, with such reports conforming in all material respects with the requirements of the Exchange Act and being true and correct in all material respects.

(b) Certain Acquisitions. Between the date hereof and the earlier of the Closing Date or the effective date of any termination pursuant to Section 8 hereof, the Standby Purchaser and his Affiliates shall not acquire any shares of Common Stock unless authorized to do so by the Company.

(c) Information. The Standby Purchaser agrees to furnish to the Company all information with respect to the Standby Purchaser that the Company may reasonably request in connection with the Prospectus and any such information furnished to the Company expressly for inclusion in the Prospectus by the Standby Purchaser shall not contain any untrue statement of material fact or omit to state a material fact required to be stated in the Prospectus or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) Public Statements. Neither the Company nor the Standby Purchaser shall issue any public announcement, statement or other disclosure with respect to this Agreement or the transactions contemplated hereby without the prior consent of the other parties hereto, which consent shall not be unreasonably withheld or delayed, except (i) if such public announcement, statement or other disclosure is required by applicable law or applicable stock market regulations, in which case the disclosing party shall consult in advance with respect to such disclosure with the other parties to the extent reasonably practicable, (ii) with respect to the filing by the Standby Purchaser of any Schedule 13D or Schedule 13G, or any amendment thereto, to which a copy of this Agreement may be attached as an exhibit thereto, or (iii) with respect to the filing by the Standby Purchaser of any Form 3, 4 or 5 under the Exchange Act.

(e) Regulatory Filing. If the Company or the Standby Purchaser determines a filing is or may be required under applicable law in connection with the transactions contemplated hereunder, the Company and the Standby Purchaser shall use commercially reasonable efforts to promptly prepare and file all necessary documentation and to effect all applications that are necessary or advisable under applicable law with respect to the transactions contemplated hereunder so that any applicable waiting period shall have expired or been terminated as soon as practicable after the date hereof.

(f) Expenses. On the earlier of the Closing Date and the termination of this Agreement, other than a termination under circumstances that are directly and solely attributable to a material breach of this Agreement by the Standby Purchaser, the Company shall reimburse the Standby Purchaser for all out-of-pocket fees and expenses incurred in connection with the transactions contemplated hereby, including due diligence efforts, the negotiation and preparation of documents relating to the transaction, the preparation and filing of regulatory applications and notices, and the undertaking of the transactions contemplated hereby, including, but not limited to, the fees and expenses of the Standby Purchaser's accounting, financial and investment banking advisors, legal counsel and credit review. Such reimbursement shall not exceed the sum of \$50,000.

(g) Due Diligence. Should the Standby Purchaser at any time request a financial institution to extend credit to the Standby Purchaser collateralized by securities of the Company, and should such financial institution request reasonable access to information concerning the Company in order to underwrite such credit request, then the Company shall grant such financial institution reasonable access to the information so requested.

(h) Nasdaq Listing Application. The Company will timely file a "Listing of Additional Shares Notification Form" with the Nasdaq Capital Market in connection with the Common Stock issued in the Rights Offering. The Company will use its best efforts to obtain, effect and maintain the listing of such securities on the Nasdaq Capital Market and will file with the Nasdaq Capital Market all documents and notices required by the Nasdaq Capital Market of companies that have securities that are listed on the Nasdaq Capital Market.

(i) Registration of Securities Issued to the Standby Purchaser. The Company will register under the Securities Act the shares of Common Stock offered and/or sold to the Standby Purchaser pursuant to this Rights Offering or this Agreement, and will maintain a current prospectus providing for the resale by the Standby Purchaser of such shares. If for any reason any offer or sale of such shares to the Standby Purchaser is not registered on the Registration Statement under the Securities Act or available for resale by the Standby Purchaser under the Prospectus, the Company shall as promptly as practicable enter into a registration rights agreement with the Standby Purchaser to provide for the registration for resale under the Securities Act within 120 days of such date of the shares Common Stock purchased by the Standby Purchaser hereunder and all other shares of Common Stock beneficially owned by the Standby Purchaser (except to the extent such other shares beneficially owned by the Standby Purchaser have previously been registered for resale by the Company and are covered by a current prospectus). Any such registration rights agreement shall include other reasonable terms pursuant to which the Company agrees to register, under the Securities Act and applicable state securities laws and regulations, the Standby Purchaser's resale of shares of Common Stock beneficially owned by any Standby Purchaser or its Affiliates, at no cost to the Standby Purchaser other than issued and customary brokerage commission and expenses.

(j) Indemnification. Whether or not the transactions contemplated hereby are consummated, the Company agrees to indemnify and hold harmless each Standby Purchaser and each of their respective shareholders, members and general and limited partners and the respective officers, directors, employees, affiliates, advisors, agents, attorneys, accountants and consultants of each such entity and to hold each Standby Purchaser and such other persons and entities (each, an “**Indemnified Person**”) harmless from and against any and all losses, claims, damages, liabilities and expenses, joint or several, which any such person or entity may incur, have asserted against it or be involved in as a result of or arising out of or in any way related to this Agreement, the matters referred to herein, the proposed Committed Offering contemplated hereby, the use of proceeds thereunder or any related transaction or any claim, litigation, investigation or proceeding relating to any of the foregoing, regardless of whether any of such Indemnified Persons is a party thereto, and to reimburse each such Indemnified Person within five (5) business days of demand for any legal or other expenses incurred in connection with any of the foregoing; provided, however, that the foregoing indemnity will not, as to any Indemnified Person, apply to losses, claims, damages, liabilities or related expenses to the extent they have resulted from the bad faith, willful misconduct or gross negligence of such Indemnified Person.

(k) Use of Proceeds. The Company shall solely use the proceeds of the Rights Offering in accordance with the description set forth in the Registration Statement.

#### **Section 7. Conditions to Closing.**

(a) The obligations of the Standby Purchaser to consummate the transactions contemplated hereunder are subject to the fulfillment, prior to or on the Closing Date, of the following conditions:

(i) The representations and warranties of the Company in Section 3 shall be true and correct in all material respects as of the date hereof and at and as of the Closing Date as if made on such date (except for representations and warranties made as of a specified date, which shall be true and correct in all material respects as of such specified date) and the Company shall have performed all of its obligations hereunder;

(ii) Subsequent to the execution and delivery of this Agreement and prior to the Closing Date, there shall not have been any Material Adverse Effect, nor shall there have occurred any breach of any covenant of the Company set forth in Section 7 hereof;

(iii) As of the Closing Date, trading in the Common Stock shall not have been suspended by the Commission or Nasdaq Capital Market or trading in securities generally on the Nasdaq Capital Market shall not have been suspended or limited or minimum prices shall not have been established on the Nasdaq Capital Market (a “**Market Adverse Effect**”);

(iv) The Company shall have obtained any required federal, state and regulatory approvals for the Right Offering on conditions reasonably satisfactory to the Standby Purchaser;

(v) If required by Section 6(i), the Company shall have executed and delivered a registration rights agreement substantially in the form of Exhibit A hereto, or if such form of registration rights agreement is not included as Exhibit A hereto, a registration rights agreement that includes reasonable terms pursuant to which the Company agrees to register, under the Securities Act and applicable state securities laws and regulations, the Standby Purchaser’s resale of any of its shares of Common Stock purchased pursuant to the Rights Offering or this Agreement or otherwise beneficially owned by any Standby Purchaser or its Affiliates (except to the extent limited in Section 6(i)), at no cost to the Standby Purchaser;

(vi) The receipt by the Standby Purchaser of a legal opinion from Becker & Poliakoff, LLP with respect to customary matters in a form satisfactory to the Standby Purchaser in its reasonable discretion relating to the due authorization of the issuance of the Rights and the shares of Common Stock in the Rights Offering, the due authorization of this Agreement and such other matters; and

(vii) The Standby Purchaser shall have received from WithumSmith+Brown, PC a letter or letters, dated as of the Closing Date, in form and substance reasonably satisfactory to the Standby Purchaser, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, and the Prospectus.

(b) The obligations of each of the Company and the Standby Purchaser to consummate the transactions contemplated hereunder are subject to the fulfillment, prior to or on the Closing Date, of the following conditions:

(i) No judgment, injunction, decree, regulatory proceeding or other legal restraint shall prohibit, or have the effect of rendering unachievable, the consummation of the Rights Offering or the material transactions contemplated by this Agreement;

(ii) The Registration Statement shall have become effective and no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and any request of the Commission for inclusion of additional information in the Registration Statement or otherwise shall have been complied with; and

(iii) The Common Stock issued in the Rights Offering shall have been authorized for listing on the Nasdaq Capital Market.

#### **Section 8. Termination.**

(a) This Agreement may be terminated at any time prior to the Closing Date, by the Standby Purchaser by written notice to the Company if there has been (i) a Market Adverse Effect that is not cured within twenty-one (21) days after the occurrence thereof (the "**Cure Period**") or (ii) a Material Adverse Effect.

(b) This Agreement may be terminated by the Company on one hand or by the Standby Purchaser on the other hand, by written notice to the other party hereto:

(i) At any time prior to the Closing Date, if there is a material breach of this Agreement by the other party that is not cured within fifteen (15) days after the non-breaching party has delivered written notice to the breaching party of such breach;

(ii) At any time after October 30, 2016, unless the Closing has occurred prior to such date; or

(iii) Consummation of the Committed Offering is prohibited by law, rule or regulation.

(c) This Agreement may be terminated by the Company in the event that the Company determines that it is not in the best interests of the Company and its shareholders to go forward with the Rights Offering.



(d) The Company and the Standby Purchaser hereby agree that any termination of this Agreement pursuant to Sections, 8(a), 8(b)(ii), 8(b)(iii), or 8(c) shall be without liability of the Company or the Standby Purchaser, following any termination of this Agreement, or the Closing Date, the Company will pay the Standby Purchaser an amount for its expense reimbursement in the amount not to exceed \$50,000. Such payment shall be made within three (3) Business Days of any such termination or the Closing Date, as the case may be.

**Section 9. Survival.** The representations and warranties of the Company and the Standby Purchaser contained in this Agreement or in any certificate delivered hereunder together with Sections 6(f), 6(i), 6(j) and 6(k) shall survive the Closing hereunder.

**Section 10. Notices.** All notices, communications and deliveries required or permitted by this Agreement shall be made in writing signed by the party making the same, shall specify the Section of this Agreement pursuant to which it is given or being made and shall be deemed given or made (a) on the date delivered if delivered in person, (b) on the third (3rd) Business Day after it is mailed if mailed by registered or certified mail (return receipt requested) (with postage and other fees prepaid) or (c) on the day after it is delivered, prepaid, to an overnight express delivery service that confirms to the sender delivery on such day, as follows:

If to the Company:

Kathryn M. JohnBull  
DLH Holdings Corp.  
3565 Piedmont Road, N.E.  
Building 3, Suite 700  
Atlanta, GA 30305  
Telephone: (866) 952-1647

with a copy to:

Brian Daughney, Esq.  
Becker & Poliakoff, LLP  
45 Broadway, 8<sup>th</sup> Floor  
New York, NY 10006  
Telephone: (212) 599-3322

If to the Standby Purchaser:

Wynnefield Capital, Inc.  
450 Seventh Avenue, Suite 509  
New York, NY 10123  
Attention: Nelson Obus  
Telephone: (212) 760-0814

with a copy to:

Kane Kessler, P.C.  
1350 Avenue of the Americas  
26<sup>th</sup> Floor  
New York, NY 10019  
Attn: Robert L. Lawrence  
Telephone: (212) 541-6222

or to such other representative or at such other address of a party as such party hereto may furnish to the other parties in writing in accordance with this Section 10.

**Section 11. Assignment.** This Agreement will be binding upon, and will inure to the benefit of and be enforceable by, the parties hereto and their respective successors and assigns. The Standby Purchaser shall have the right, at their option, to assign any or all of the rights to purchase Shares in the Committed Offering to a Permitted Assignee to the Company prior to the Closing Date.

**Section 12. Entire Agreement.** This Agreement embodies the entire agreement and understanding between the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties, or undertakings, other than those set forth or referred to herein with respect to the standby purchase commitments with respect to the Company's securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to the subject matter of this Agreement.

**Section 13. Governing Law; Jurisdiction.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York (other than its rules of conflict of laws to the extent the application of the laws of another jurisdiction would be required thereby). This Agreement shall be subject to the exclusive jurisdiction of the State and Federal courts sitting in New York County, New York.

**Section 14. Severability.** If any provision of this Agreement or the application thereof to any person or circumstances is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it has been held invalid, void or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to affect the original intent of the parties.

**Section 15. Extension or Modification of the Rights Offering.** The Company may (a) waive irregularities in the manner of exercise of the Rights, and (b) waive conditions relating to the method (but not the timing) of the exercise of the Rights to the extent that such waiver does not materially adversely affect the interests of the Standby Purchaser.

**Section 16. Miscellaneous.**

(a) The Company shall not after the date of this Agreement enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the Standby Purchaser in this Agreement.

(b) Notwithstanding any term to the contrary herein, no Person other than the Company and the Standby Purchaser shall be entitled to rely on and/or have the benefit of, as a third party beneficiary or under any other theory, any of the representations, warranties, agreements, covenants or other provisions of this Agreement.

(c) The headings in this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning of this Agreement.

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

[EXECUTION PAGE APPEARS NEXT]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first above written.

**COMPANY**

DLH HOLDINGS CORP.

By: /s/ Kathryn M. JohnBull  
Name: Kathryn M. JohnBull  
Title: Chief Financial Officer

**STANDBY PURCHASER**  
WYNNEFIELD CAPITAL, INC.

By: /s/ Nelson Obus  
Name: Nelson Obus  
Title: Managing Member