

CONWAY RICHARD F
Form 4
October 21, 2010

FORM 4

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

OMB APPROVAL

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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 *
LC CAPITAL MASTER FUND LTD

(Last) (First) (Middle)

C/O LAMPE, CONWAY & CO.,
LLC, 680 FIFTH AVENUE, 12TH
FLOOR

(Street)

NEW YORK, NY 10019-5429

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CADIZ INC [CDZI]

3. Date of Earliest Transaction
(Month/Day/Year)
10/19/2010

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)
Director by Deputization

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) | Code V Amount (D) Price | | |

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

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SEC 1474 (9-02)

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

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction | 5. Number of Derivative Securities Acquired (A) or | 6. Date Exercisable and Expiration Date | 7. Titl Under |
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|--|---|---------------|
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|--|---|---------------|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | Disposed of (D) | | (Month/Day/Year) | | Instr. |
|-------------------------------------|--|----------------------|-----------------|-----------------|-----|------------------|-----------------|-------------------------|
| | | | | (A) | (D) | Date Exercisable | Expiration Date | |
| Convertible Term Loan, Tranche A-2 | \$ 35 | 10/19/2010 | H | \$ 7,233,367 | | (1) | 06/26/2013 | Com Stock val \$0.0 sha |
| Convertible Term Loan, Tranche A-2a | \$ 35 | 10/19/2010 | P | \$ 3,616,683 | | (1) | 06/26/2013 | Com Stock val \$0.0 sha |
| Convertible Term Loan, Tranche B | \$ 35 | 10/19/2010 | H | \$ 29,878,570 | | (1) | 06/26/2013 | Com Stock val \$0.0 sha |
| Convertible Term Loan, Tranche B-1 | \$ 13.5 | 10/19/2010 | P | \$ 2,250,000 | | (1) | 06/26/2013 | Com Stock val \$0.0 sha |
| Convertible Term Loan, Tranche B-3a | \$ 35 | 10/19/2010 | P | \$ 13,814,285 | | (1) | 06/26/2013 | Com Stock val \$0.0 sha |
| Convertible Term Loan, Tranche C-1 | \$ 13.5 | 10/19/2010 | P | \$ 4,500,000 | | (1) | 06/26/2013 | Com Stock val \$0.0 sha |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|--------------------------|
| | Director | 10% Owner | Officer | Other |
| LC CAPITAL MASTER FUND LTD C/O LAMPE, CONWAY & CO., LLC 680 FIFTH AVENUE, 12TH FLOOR NEW YORK, NY 10019-5429 | X | X | | Director by Deputization |

| | | | |
|---|---|---|--------------------------|
| LC CAPITAL PARTNERS LP C/O LAMPE, CONWAY & CO., LLC 680 FIFTH AVENUE, 12TH FLOOR NEW YORK, NY 10019-5429 | X | X | Director by Deputization |
| LC Capital Advisors LLC C/O LAMPE, CONWAY & CO., LLC 680 FIFTH AVENUE, 12TH FLOOR NEW YORK, NY 10019-5429 | X | X | Director by Deputization |
| LAMPE, CONWAY & CO. LLC 680 FIFTH AVENUE, 12TH FLOOR NEW YORK, NY 10019-5429 | X | X | Director by Deputization |
| LC Capital International LLC C/O LAMPE, CONWAY & CO., LLC 680 FIFTH AVENUE, 12TH FLOOR NEW YORK, NY 10019-5429 | X | X | Director by Deputization |
| LAMPE STEVEN C/O LAMPE, CONWAY & CO., LLC 680 FIFTH AVENUE, 12TH FLOOR NEW YORK, NY 10019-5429 | X | X | Director by Deputization |
| CONWAY RICHARD F C/O LAMPE, CONWAY & CO., LLC 680 FIFTH AVENUE, 12TH FLOOR NEW YORK, NY 10019-5429 | X | X | Director by Deputization |

Signatures

| | |
|--|------------|
| /s/ Richard F. Conway, Director, for LC Capital Master Fund Ltd. | 10/21/2010 |
| **Signature of Reporting Person | Date |
| /s/ Richard F. Conway, Partner, for LC Capital Partners LP | 10/21/2010 |
| **Signature of Reporting Person | Date |
| /s/ Richard F. Conway, Managing Member, for LC Capital Advisors LLC | 10/21/2010 |
| **Signature of Reporting Person | Date |
| /s/ Richard F. Conway, Managing Member, for Lampe, Conway & Co., LLC | 10/21/2010 |
| **Signature of Reporting Person | Date |
| /s/ Richard F. Conway, Managing Member, for LC Capital International LLC | 10/21/2010 |
| **Signature of Reporting Person | Date |
| /s/ Steven G. Lampe | 10/21/2010 |
| **Signature of Reporting Person | Date |
| /s/ Richard F. Conway | 10/21/2010 |
| **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).

(1) The Credit Agreement, by and among Cadiz, Inc., Cadiz Real Estate LLC (collectively, the "Borrower"), the lenders from time to time party thereto, and LC Capital Master Fund, Ltd., ("Master Fund"), dated as of June 26, 2006 (as amended, the "Convertible Term Loan"), which was comprised of Tranches A-1, A-2 and B and is now comprised of Tranches A-1, A-2a, A-2b, B-1, B-3a, B-3b and C-1 (and solely at the election of the Borrower, Tranches B-2 and C-2), now provides Master Fund the right, at the election of Master Fund, at any time from time to time, to convert the initial principal amount of Tranche A-1 and the accreted principal amount, of Tranches A-2a, B-1 and B-3a into Common Stock.

(2) These transactions involved the amendment of an outstanding Convertible Term Loan, which has been modified such that it no longer includes Tranche A-2 and Tranche B which have been replaced with Tranches A-2a, A-2b, B-1, B-3a and B-3b. Solely at the election of the Borrower, Tranches B-2 and C-2 may be established. The amendment is reported above as the cancellation of the "old" Tranches A-2 and B and the acquisition of the "new" Tranches A-2a, A-2b, B-1, B-3a, B-3b and C-1.

(3) These securities are owned by Master Fund, which is a Reporting Person.

(4) These securities also may be deemed to be beneficially owned by LC Capital Partners, LP ("Partners"), LC Capital Advisors LLC ("Advisors"), Lampe, Conway & Co., LLC ("LC&C"), LC Capital International LLC ("International"), Steven G. Lampe ("Mr. Lampe") and Richard F. Conway ("Mr. Conway") by virtue of the following relationships: (i) Partners beneficially owns one-third of the outstanding shares of the Master Fund; (ii) Advisors is the sole general partner of Partners; (iii) LC&C acts as investment manager to Partners and the Master Fund pursuant to certain investment management agreements, and as a result of such agreements, LC&C shares voting and dispositive power over the reported securities; (iv) International acts as investment advisor to the Master Fund pursuant to an investment advisory agreement and, as a result, International shares voting and dispositive power over the reported securities; (continued in footnote 5)

(5) (continued from footnote 4) and (v) Mr. Lampe and Mr. Conway act as the sole managing members of each of Advisors, LC&C and International.

(6) Each reporting person disclaims beneficial ownership of the securities reported on this Form 4 except to the extent of his or its pecuniary interest therein, and this report shall not be deemed an admission that any such reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.

(7) The convertible feature would allow the principal and all accreted and accreting interest of the applicable Term Loan Tranche to be converted into shares of Common Stock at the conversion price indicated in column 2 of Table II above.

Remarks:

Mr. Stephen E. Courter serves as the representative of LC&C and its affiliates on the Cadiz Inc. Board of Directors as Director by Deputization. The Board of Cadiz, Inc. approved the October 19, 2010 amendment to the Convertible Term Loan prior to its execution.

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.