OPTICARE HEALTH SYSTEMS INC
Form SC 13D/A
February 11, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 6)*

OPTICARE HEALTH SYSTEMS, INC.
(Name of Issuer)

Common Stock, $.001 par value
(Title of Class of Securities)

68 38 6P105
(CUSIP Number)

Mr. Steven E. Berman
Palisade Capital
One Bridge Plaza
Fort Lee, New Jersey 07024
(201) 585-7733
(Name, Address and Telephone Number of Persons Authorized to Receive Notices and Communications)

January 12, 2005
(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 Sections 240.13d-1(e), 240.13d-1(f) or 240.13d--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 Section 240.13d-7(b) 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 disclosures provided in a prior cover page.

The information required on 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 ("Act") 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)

(Continued on the following pages)

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1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)

Palisade Capital Management, L.L.C./

I.R.S. Identification No. 22-3330049

2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)	(a) |_| (b) |X|
3	SEC USE ONLY	
4	SOURCE OF FUNDS (SEE INSTRUCTIONS)	OO
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)	|_|
		Not Applicable
6	CITIZENSHIP OR PLACE OF ORGANIZATION	New Jersey

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 90,766,424*
	8	SHARED VOTING POWER
	9	SOLE DISPOSITIVE POWER 90,766,424*
	10	SHARED DISPOSITIVE POWER

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	90,766,424*
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)	|X|
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	88.94%**
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)	IA

* Palisade Capital Management, L.L.C. ("Palisade"), a New Jersey limited liability company, is a registered investment advisor that has discretionary authority over the accounts of its clients. Palisade is the beneficial owner, on behalf of its clients, of (i) 19,375,000 shares of OptiCare Health Systems, Inc.

(the "Company") common stock, par value $.001 per share (the "Common Stock"), (ii) an immediately exercisable Warrant ("Warrant") to purchase up to 400,000 additional shares of Common Stock, (iii) 2,880,599.5 shares of the Company's Series B 12.5% Voting Cumulative Convertible Participating Preferred Stock, par value $0.001 (the "Series B Preferred Stock"), immediately convertible into 28,805,995 shares of Common Stock, (iv) 11,921,629 shares of Common Stock representing interest/dividends accrued as of December 31, 2004 on the Series B Preferred Stock issuable upon conversion of the Series B Preferred Stock, (v) 403,256 shares

of Series C Convertible Preferred Stock, par value $.001 (the "Series C Preferred Stock"), immediately convertible into 20,162,800 shares of Common Stock, and (vi) 252,525 shares of Series D Convertible Preferred Stock, par value $0.001 (the "Series D Preferred Stock") immediately convertible into 10,101,000 shares of Common Stock. The Warrant, the shares of Series B Preferred Stock, accrued interest/dividends on the Series B Preferred Stock, the shares of Series C Preferred Stock, the shares of Series D Preferred Stock, and all shares of Common Stock are held in the account of Palisade Concentrated Equity Partnership, L.P., a private investment limited partnership formed by affiliates of Palisade under the laws of the State of Delaware (the "Partnership").

** Based on 102,063,224 shares of Common Stock outstanding, including (i) 30,671,800 shares of Common Stock outstanding as of October 31, 2004, (ii) 400,000 shares of Common Stock issuable upon exercise of the Warrant held by the Partnership, (iii) 28,805,995 shares of Common Stock issuable upon conversion of the Series B Preferred Stock held by the Partnership, (iv) 11,921,629 shares of Common Stock representing interest/dividends accrued as of December 31, 2004 on the Series B Preferred Stock issuable upon conversion of the Series B Preferred Stock held by the Partnership, (v) 20,162,800 shares of Common Stock issuable upon conversion of the Series C Preferred Stock held by the Partnership, and (vi) 10,101,000 shares of Common Stock issuable upon conversion of the Series D Preferred Stock held by the Partnership.

CUSIP No. 68386P105

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Palisade Concentrated Equity Partnership, L.P./ I.R.S. Identification No. 22-3699993
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (a) |_| (b) |X|
3	SEC USE ONLY
4	SOURCE OF FUNDS (SEE INSTRUCTIONS) OO
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

	PURSUANT TO ITEMS 2(d) OR 2(e)		|_|
	Not Applicable		
6	CITIZENSHIP OR PLACE OF ORGANIZATION		
	Delaware		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER	
		90,766,424*	
	8	SHARED VOTING POWER	
	9	SOLE DISPOSITIVE POWER	
		90,766,424*	
	10	SHARED DISPOSITIVE POWER	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	90,766,424*		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)		|X|
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)		
	88.94%**		
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)		
	PN		

* (i) 19,375,000 shares of OptiCare Health Systems, Inc. (the "Company") common stock, par value $.001 per share (the "Common Stock"), (ii) an immediately exercisable Warrant ("Warrant") to purchase up to 400,000 additional shares of Common Stock, (iii) 2,880,599.5 shares of the Company's Series B 12.5% Voting Cumulative Convertible Participating Preferred Stock, par value $0.001 (the "Series B Preferred Stock"), immediately convertible into 28,805,995 shares of Common Stock, (iv) 11,921,629 shares of Common Stock representing interest/dividends accrued as of December 31, 2004 on the Series B Preferred Stock issuable upon conversion of the Series B Preferred Stock, (v) 403,256 shares of Series C Convertible Preferred Stock, par value $.001 (the "Series C Preferred Stock"), immediately convertible into 20,162,800 shares of Common Stock, and (vi) 252,525 shares of Series D Convertible Preferred Stock, par value $0.001 (the "Series D Preferred Stock") immediately convertible into 10,101,000 shares of Common Stock. The Warrant, the shares of Series B Preferred Stock, accrued interest/dividends on the Series B

Preferred Stock, the shares of Series C Preferred Stock, the shares of Series D Preferred Stock, and all shares of Common Stock are held in the account of Palisade Concentrated Equity Partnership, L.P., a private investment limited partnership formed by affiliates of Palisade under the laws of the State of Delaware (the "Partnership").

** Based on 102,063,224 shares of Common Stock outstanding, including (i) 30,671,800 shares of Common Stock outstanding as of October 31, 2004, (ii) 400,000 shares of Common Stock issuable upon exercise of the Warrant held by the Partnership, (iii) 28,805,995 shares of Common Stock issuable upon conversion of the Series B Preferred Stock held by the Partnership, (iv) 11,921,629 shares of Common Stock representing interest/dividends accrued as of December 31, 2004 on the Series B Preferred Stock issuable upon conversion of the Series B Preferred Stock held by the Partnership, (v) 20,162,800 shares of Common Stock issuable upon conversion of the Series C Preferred Stock held by the Partnership, and (vi) 10,101,000 shares of Common Stock issuable upon conversion of the Series D Preferred Stock held by the Partnership.

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Palisade Concentrated Holdings, L.L.C./ I.R.S. Identification No. 22-3699991	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)	(a) |_| (b) |X|
3	SEC USE ONLY	
4	SOURCE OF FUNDS (SEE INSTRUCTIONS) OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) Not Applicable	|_|
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON	7 SOLE VOTING POWER 90,766,424*	
	8 SHARED VOTING POWER	
	9 SOLE DISPOSITIVE POWER 90,766,424*	

WITH	10	SHARED DISPOSITIVE POWER

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 90,766,424*
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) |X|
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 88.94%**
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) OO

*(i) 19,375,000 shares of OptiCare Health Systems, Inc. (the "Company") common stock, par value $.001 per share (the "Common Stock"), (ii) an immediately exercisable Warrant ("Warrant") to purchase up to 400,000 additional shares of Common Stock, (iii) 2,880,599.5 shares of the Company's Series B 12.5% Voting Cumulative Convertible Participating Preferred Stock, par value $0.001 (the "Series B Preferred Stock"), immediately convertible into 28,805,995 shares of Common Stock, (iv) 11,921,629 shares of Common Stock representing interest/dividends accrued as of December 31, 2004 on the Series B Preferred Stock issuable upon conversion of the Series B Preferred Stock, (v) 403,256 shares of Series C Convertible Preferred Stock, par value $.001 (the "Series C Preferred Stock"), immediately convertible into 20,162,800 shares of Common Stock, and (vi) 252,525 shares of Series D Convertible Preferred Stock, par value $0.001 (the "Series D Preferred Stock") immediately convertible into 10,101,000 shares of Common Stock. The Warrant, the shares of Series B Preferred Stock, accrued interest/dividends on the Series B Preferred Stock, the shares of Series C Preferred Stock, the shares of Series D Preferred Stock, and all shares of

Common Stock are held in the account of Palisade Concentrated Equity Partnership, L.P., a private investment limited partnership formed by affiliates of Palisade under the laws of the State of Delaware (the "Partnership").

** Based on 102,063,224 shares of Common Stock outstanding, including (i) 30,671,800 shares of Common Stock outstanding as of October 31, 2004, (ii) 400,000 shares of Common Stock issuable upon exercise of the Warrant held by the Partnership, (iii) 28,805,995 shares of Common Stock issuable upon conversion of the Series B Preferred Stock held by the Partnership, (iv) 11,921,629 shares of Common Stock representing interest/dividends accrued as of December 31, 2004 on the Series B Preferred Stock issuable upon conversion of the Series B Preferred Stock held by the Partnership, (v) 20,162,800 shares of Common Stock issuable upon conversion of the Series C Preferred Stock held by the Partnership, and (vi) 10,101,000 shares of Common Stock issuable upon conversion of the Series D Preferred Stock held by the Partnership.

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Eric J. Bertrand / I.R.S. Identification No.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)	(a) |_| (b) |X|
3	SEC USE ONLY	
4	SOURCE OF FUNDS (SEE INSTRUCTIONS) PF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) Not Applicable	|_|
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 SOLE VOTING POWER 54,300*	
	8 SHARED VOTING POWER	
	9 SOLE DISPOSITIVE POWER 54,300*	
	10 SHARED DISPOSITIVE POWER	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 54,300*	
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) 0.18%**	
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)	

IN

Mr. Bertrand individually beneficially owns 54,300 shares. Mr. Bertrand has sole voting and dispositive power over such 54,300 shares. Mr. Bertrand is a member of the General Partner, but is not a member of Palisade or the Partnership, and thus has no shared or dispositive power over the 90,766,424 shares beneficially owned by Palisade. See item 2.

**Based on 30,671,800 shares of Common Stock outstanding as of October 31, 2004.

Palisade Capital Management, L.L.C. ("Palisade") hereby amends its Schedule 13D/A, filed with the Securities and Exchange Commission on February 12, 2004, relating to the shares of Opticare Health Systems, Inc. (the "Company") common stock, $.001 par value (the "Common Stock"), as follows:

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

Item 3 is hereby supplemented as follows:

On January 12, 2005, the Partnership purchased 252,525 shares of Series D Preferred Stock, par value $0.001 per share (the "Series D Preferred Stock"), convertible into 10,101,000 shares of common stock for $4,000,000.

Item 4. Purpose of Transaction.

Item 4 is hereby amended in its entirety as follows:

The Partnership purchased the Series D Preferred Stock to in order to increase its shareholder position and to generate cash proceeds for the Company which has been used, in part, to pay down the Company's debt.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and supplemented as follows:

As of the close of business on December 31, 2004, there were 102,063,224 shares of Common Stock outstanding, including (i) 30,671,800 shares of Common Stock outstanding as of October 31, 2004, (ii) 400,000 shares of Common Stock issuable upon exercise of the Warrant held by the Partnership, (iii) 28,805,995 shares of Common Stock issuable upon conversion of the Series B Preferred Stock held by the Partnership, (iv) 7,385,235 shares of Common Stock representing interest/dividends accrued as of December 31, 2004 on the Series B Preferred Stock issuable upon conversion of the Series B Preferred Stock held by the Partnership, (v) 20,162,800 shares of Common Stock issuable upon conversion of the Series C Preferred Stock held by the Partnership, and (vi) 10,101,000 shares of Common Stock issuable upon conversion of the Series D Preferred Stock held by the Partnership.

As of such date, (i) 19,375,000 shares (18.99%) of the Common Stock, (ii) 2,880,599.5 shares of Series B Preferred Stock, currently convertible into 28,805,995 shares of Common Stock (28.23%), (iii) a warrant currently exercisable to purchase up to an additional 400,000 shares of Common Stock (0.40%), (iv) 11,921,629 shares of Common Stock representing interest/dividends accrued as of December 31, 2004 on the Series B Preferred Stock issuable upon conversion of the Series B Preferred Stock (11.68%), (v) 403,256 shares of Series C

Preferred Stock, currently convertible into 20,162,800 shares of Common Stock (19.76%), and 252,525 shares of Series D Preferred Stock, currently convertible into 10,101,000 (9.9%) are held by the Partnership in an account over which Palisade has investment discretion. Palisade possesses sole power to vote and direct the disposition of all shares of the Common Stock, the Series B Preferred Stock, the Series C Preferred Stock, and the Series D Preferred Stock beneficially owned by it. Pursuant to Regulation Section 240.13d-3, Palisade may be deemed to beneficially own 90,766,424 shares of the Common Stock, or 88.94% of the Common Stock deemed issued and outstanding. The above does not include 54,300 shares of Common Stock owned of record and beneficially by Eric J. Bertrand, who is a member of the General Partner, but not a member of Palisade or the Partnership. Mr. Bertrand has sole voting and dispositive power over such 54,300 shares of Common Stock and Palisade, the General Partner and the Partnership disclaim any beneficial ownership with respect thereto.

During the past 60 days, there were no transactions in shares of the Common Stock, or any securities directly or indirectly convertible into or exchangeable for shares of the Common Stock, by the Reporting Persons or any person or entity controlled by them or any person or entity for which they possess voting or investment control over the securities thereof except as set forth above.

Signature

After reasonable inquiry and to the best of the undersigned's knowledge and belief, the undersigned hereby certifies that the information set forth in this statement is true, complete and correct.

February 10, 2005

/s/ Steven E. Berman,
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in his capacity as a member of each of Palisade Capital Management, L.L.C. and Palisade Concentrated Holdings, L.L.C., the general partner of Palisade Concentrated Equity Partnership, L.P.

/s/ Eric J. Bertrand, individually

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001)