

ISCO INTERNATIONAL INC
 Form 4
 August 26, 2008

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
 ELLIOTT ASSOCIATES, L.P.

2. Issuer Name and Ticker or Trading Symbol
 ISCO INTERNATIONAL INC
 [ISO]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 712 FIFTH AVE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 08/22/2008

____ Director
 ____ Officer (give title below)
 10% Owner
 ____ Other (specify below)

NEW YORK, NY 10019
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

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 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.

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 control number.

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 Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | AN Nu Sh |
|---|------------------------------------|---------------------------|------------|---|------|---|-----|-----|---------------------------|--------------------|-----------------|----------------|
| 9 1/2% Secured Convertible Note Due August 1, 2010 | \$ 0.2 ⁽¹⁾ | 08/22/2008 ⁽²⁾ | A | \$ 450,000 ⁽²⁾ | | | | | 08/22/2008 ⁽²⁾ | 08/01/2010 | Common Stock | 2 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| ELLIOTT ASSOCIATES, L.P. 712 FIFTH AVE NEW YORK, NY 10019 | | X | | |

Signatures

Elliot Greenberg, VP of Braxton Associates, Inc., as GP of Elliott Capital Advisors, L.P., as
GP of Elliott Associates, L.P.

08/26/2008

__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).

On August 18, 2008, the issuer issued to Manchester Securities Corp. ("Manchester"), a wholly-owned subsidiary of Elliott Associates, L.P. ("Elliott Associates") a 9 1/2% Secured Convertible Note Due August 1, 2010 (the "Convertible Note"). The issuer can draw down on the Convertible Note up to \$1,350,000. The Convertible Note is convertible into shares of common stock at a conversion price of

(1) \$0.20 per share. The Convertible Note converts into shares of common stock at a rate determined by dividing the then outstanding principal amount by the then conversion price. Accrued interest is added to the outstanding principal amount. The number of shares into which the Convertible Note converts shall be adjusted according to typical anti-dilution provisions. More information about the Convertible Notes can be found in the Form 8-K filed by the issuer with the Securities and Exchange Commission on August 18, 2008.

(2) On August 22, 2008, the issuer drew down \$450,000 on the Convertible Note. This \$450,000 is convertible into 2,250,000 shares of common stock.

(3) Elliott Associates owns the Convertible Note reported on this Form 4 indirectly through Manchester.

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

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