

ISCO INTERNATIONAL INC  
 Form 4  
 July 11, 2007

**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)  
 06/26/2007

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

NEW YORK, NY 10019

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

(City) (State) (Zip)

**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)
Common Stock	06/26/2007		J <sup>(1)</sup>	V Amount \$ 0.18	19,523,835	I	See <sup>(2)</sup>

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)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
Amended & Restated 7% Senior Secured Conv. Note (10/23/02) <u>(3)</u>	\$ 0.2 <u>(3)</u>	06/26/2007 <sup>(3)</sup>		A	\$ 2,520,441.39	<u>(4)</u> 08/01/2009	Common Stock 1
Amended & Restated 7% Senior Secured Conv. Note (10/24/03) <u>(3)</u>	\$ 0.2 <u>(3)</u>	06/26/2007 <sup>(3)</sup>		A	\$ 791,170.81	<u>(4)</u> 08/01/2009	Common Stock 3
Amended & Restated 7% Senior Secured Conv. Note (7/23/04) <u>(3)</u>	\$ 0.2 <u>(3)</u>	06/26/2007 <sup>(3)</sup>		A	\$ 878,756.25	<u>(4)</u> 08/01/2009	Common Stock 4
Amended & Restated 7% Senior Secured Conv. Note (11/10/04) <u>(3)</u>	\$ 0.2 <u>(3)</u>	06/26/2007 <sup>(3)</sup>		A	\$ 1,121,625	<u>(4)</u> 08/01/2009	Common Stock 5

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ELLIOTT ASSOCIATES, L.P. 712 FIFTH AVE		X		

NEW YORK, NY 10019

## Signatures

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

07/11/2007

\_\_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) Pursuant to an Amendment Agreement dated as of June 26, 2007 entered into by and among Manchester Securities Corp. ("Manchester"), a wholly-owned subsidiary of Elliott Associates, L.P. ("Elliott Associates"), the issuer, and other parties thereto, Manchester agreed to convert \$750,000 of the principal amount outstanding on Secured Grid Notes previously issued to Manchester by the issuer for shares of common stock at a conversion price of \$0.18 per share.

(2) Elliott Associates directly owns shares of the issuer's common stock and indirectly owns other shares through Manchester and The Liverpool Limited Partnership, a wholly-owned subsidiary of Elliott Associates. Elliott Associates indirectly owns the Convertible Notes reported on this Form 4 through Manchester.

(3) The Amended and Restated 7% Senior Secured Convertible Notes (each a "Convertible Note") were originally issued as Secured Grid Notes on October 23, 2002, October 24, 2003, July 23, 2004, and November 10, 2004, respectively. Each Secured Grid Note was amended and restated on June 26, 2007 as an amended and restated 7% Senior Secured Convertible Note convertible into shares of common stock at a conversion price of \$0.20 per share. Each of the Convertible Notes 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 each of the Convertible Notes 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 June 26, 2007.

(4) Manchester shall not be entitled to exercise its rights to convert the Convertible Notes into common stock until the issuer first obtains the approval of its stockholders to (i) increase the number of authorized shares of common stock available for issuance under its Certificate of Incorporation, as amended and (ii) issue the shares of common stock pursuant to American Stock Exchange ("AMEX") rules as well as to obtain the approval of AMEX to list the common stock reported in Table I of this Form 4 and the shares issuable upon conversion of the Convertible Notes on AMEX. The issuer is required to obtain these approvals within one year of the issuance date of the Convertible Notes. In the event that these required approvals are not obtained by that time, then the interest rate on the amended and restated Notes will increase to a rate of 15% per annum.

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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