

CareView Communications Inc  
Form SC 13D/A  
January 03, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. 7)

**CareView Communications, Inc.**

(Name of Issuer)

Common Stock, \$.001 Par Value Per Share

(Title Class of Securities)

141743104

(CUSIP Number)

HealthCor Management, L.P.  
Carnegie Hall Tower  
152 West 57th Street, 47th Floor  
New York, New York 10019  
Attention: Mr. John H. Coghlin  
(212) 622-7871

With a Copy to:

Eugene McDermott  
Edwards Wildman Palmer LLP  
2800 Financial Plaza  
Providence, RI 02903  
(401) 276-6471

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

December 27, 2013

(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 that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 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 Rule 13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

(Page 1 of 20 Pages)

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(1) 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).

CUSIP NO. 141743104 13DPage 3 of 20

(1)NAME OF REPORTING PERSON

HealthCor Management, L.P.

(2)CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x  
(b) ..

(3)SEC USE ONLY

(4)SOURCE OF FUNDS

WC

(5)CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6)CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 20,905,795

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

20,905,795

(11)AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON

20,905,795

(12)CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13)PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (11)

13.1%

(14) TYPE OF REPORTING PERSON

PN

CUSIP NO. 141743104 13DPage 4 of 20

(1)NAME OF REPORTING PERSON

HealthCor Associates, LLC

(2)CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x  
(b) ..

(3)SEC USE ONLY

(4)SOURCE OF FUNDS

AF

(5)CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6)CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 20,905,795

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

20,905,795

(11)AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON

20,905,795

(12)CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13)PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (11)

13.1%

(14) TYPE OF REPORTING PERSON

OO- limited liability company

CUSIP NO. 141743104 13D Page 5 of 20

(1) NAME OF REPORTING PERSON

HealthCor Hybrid Offshore Master Fund, L.P.

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)  x  
 (b)  ..

(3) SEC USE ONLY

(4) SOURCE OF FUNDS

AF

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
 REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 20,905,795

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

20,905,795

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED  
 BY EACH REPORTING PERSON

20,905,795

(12) CHECK BOX IF THE AGGREGATE AMOUNT  
 IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13) PERCENT OF CLASS REPRESENTED  
 BY AMOUNT IN ROW (11)



13.1%

(14) TYPE OF REPORTING PERSON

PN

CUSIP NO. 141743104 13D Page 6 of 20

(1) NAME OF REPORTING PERSON

HealthCor Hybrid Offshore GP, LLC

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)  x  
 (b)  ..

(3) SEC USE ONLY

(4) SOURCE OF FUNDS

AF

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
 REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 20,905,795

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

20,905,795

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED  
 BY EACH REPORTING PERSON

20,905,795

(12) CHECK BOX IF THE AGGREGATE AMOUNT  
 IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13) PERCENT OF CLASS REPRESENTED  
 BY AMOUNT IN ROW (11)

13.1%

(14) TYPE OF REPORTING PERSON

OO-limited liability company

CUSIP NO. 141743104 13D Page 7 of 20

(1) NAME OF REPORTING PERSON

HealthCor Group, LLC

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)  x  
 (b)  ..

(3) SEC USE ONLY

(4) SOURCE OF FUNDS

AF

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
 REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 20,905,795

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

20,905,795

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED  
 BY EACH REPORTING PERSON

20,905,795

(12) CHECK BOX IF THE AGGREGATE AMOUNT  
 IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13) PERCENT OF CLASS REPRESENTED  
 BY AMOUNT IN ROW (11)

13.1%

(14) TYPE OF REPORTING PERSON

OO-limited liability company

CUSIP NO. 141743104 13D Page 8 of 20

(1) NAME OF REPORTING PERSON

HealthCor Partners Management, L.P.

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)  x  
 (b)  ..

(3) SEC USE ONLY

(4) SOURCE OF FUNDS

WC

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
 REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 18,228,976

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

18,228,976

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED  
 BY EACH REPORTING PERSON

18,228,976

(12) CHECK BOX IF THE AGGREGATE AMOUNT  
 IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13) PERCENT OF CLASS REPRESENTED  
 BY AMOUNT IN ROW (11)

11.6%

(14) TYPE OF REPORTING PERSON

PN

CUSIP NO. 141743104 13DPage 9 of 20

(1)NAME OF REPORTING PERSON

HealthCor Partners Management GP, LLC

(2)CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x  
(b) ..

(3)SEC USE ONLY

(4)SOURCE OF FUNDS

AF

(5)CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6)CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 18,228,976

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

18,228,976

(11)AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

18,228,976

(12)CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13)PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)



11.6%

(14) TYPE OF REPORTING PERSON

OO- limited liability company

CUSIP NO. 141743104 13D Page 10 of 20

(1) NAME OF REPORTING PERSON

HealthCor Partners Fund, L.P.

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)  x  
 (b)  ..

(3) SEC USE ONLY

(4) SOURCE OF FUNDS

AF

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
 REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 18,228,976

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

18,228,976

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED  
 BY EACH REPORTING PERSON

18,228,976

(12) CHECK BOX IF THE AGGREGATE AMOUNT  
 IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13) PERCENT OF CLASS REPRESENTED  
 BY AMOUNT IN ROW (11)

11.6%

(14) TYPE OF REPORTING PERSON

PN

CUSIP NO. 141743104 13DPage 11 of 20

(1)NAME OF REPORTING PERSON

HealthCor Partners L.P.

(2)CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x  
(b) ..

(3)SEC USE ONLY

(4)SOURCE OF FUNDS

AF

(5)CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6)CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 18,228,976

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER 0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER 18,228,976

(11)AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON

18,228,976

(12)CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13)PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (11)

11.6%

(14) TYPE OF REPORTING PERSON

PN

CUSIP NO. 141743104 13D Page 12 of 20

(1) NAME OF REPORTING PERSON

HealthCor Partners GP, LLC

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

(3) SEC USE ONLY

(4) SOURCE OF FUNDS

AF

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 18,228,976

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER 0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER 18,228,976

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON

18,228,976

(12) CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (11) EXCLUDES CERTAIN SHARES

(13) PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (11)

11.6%

(14) TYPE OF REPORTING PERSON

OO- limited liability company

CUSIP NO. 141743104 13DPage 13 of 20

(1)NAME OF REPORTING PERSON

Jeffrey C. Lightcap

(2)CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x  
(b) ..

(3)SEC USE ONLY

(4)SOURCE OF FUNDS

AF

(5)CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6)CITIZENSHIP OR PLACE OF ORGANIZATION

United States

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 18,228,976

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER 0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER 18,228,976

(11)AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON

18,228,976

(12)CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13)PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (11)



11.6%

(14) TYPE OF REPORTING PERSON

IN

CUSIP NO. 141743104 13DPage 14 of 20

(1)NAME OF REPORTING PERSON

Arthur Cohen

(2)CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x

(b) ..

(3)SEC USE ONLY

(4)SOURCE OF FUNDS

AF

(5)CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6)CITIZENSHIP OR PLACE OF ORGANIZATION

United States

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 39,134,771

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

39,134,771

(11)AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON

39,134,771

(12)CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13)PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (11)

22.0%

(14) TYPE OF REPORTING PERSON

IN

CUSIP NO. 141743104 13D Page 15 of 20

(1) NAME OF REPORTING PERSON

Joseph Healey

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)  x  
 (b)  ..

(3) SEC USE ONLY

(4) SOURCE OF FUNDS

AF

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
 REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

..

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

United States

(7) SOLE VOTING POWER

NUMBER OF 0

SHARES

(8) SHARED VOTING POWER

BENEFICIALLY 39,134,771

OWNED BY

EACH (9) SOLE DISPOSITIVE POWER

0

REPORTING

PERSON WITH (10) SHARED DISPOSITIVE POWER

39,134,771

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED  
 BY EACH REPORTING PERSON

39,134,771

(12) CHECK BOX IF THE AGGREGATE AMOUNT  
 IN ROW (11) EXCLUDES CERTAIN SHARES

..

(13) PERCENT OF CLASS REPRESENTED  
 BY AMOUNT IN ROW (11)

22.0%

(14) TYPE OF REPORTING PERSON

IN

CUSIP NO. 141743104 13D Page 16 of 20

This Amendment No. 7 to Schedule 13D (the "Amendment") amends and supplements the beneficial ownership statement on Schedule 13D originally filed with the Securities and Exchange Commission on May 2, 2011, as amended by Amendment No. 1 filed October 3, 2011, Amendment No. 2 filed January 3, 2012, Amendment No. 3 filed February 2, 2012, Amendment No. 4 filed October 2, 2012, Amendment No. 5 filed April 5, 2013 and Amendment No. 6 filed October 2, 2013 (collectively, the "Original Statement"). The persons filing this Amendment are HealthCor Management, L.P., HealthCor Associates, LLC, HealthCor Hybrid Offshore Master Fund, L.P., HealthCor Hybrid Offshore GP, LLC, HealthCor Group, LLC, HealthCor Partners Management, L.P., HealthCor Partners Management GP, LLC, HealthCor Partners Fund, L.P., HealthCor Partners, L.P., HealthCor Partners GP, LLC, Jeffrey C. Lightcap, Joseph Healey and Arthur Cohen. The Original Statement, as amended by this Amendment (the "Statement"), relates to the shares of Common Stock of CareView Communications, Inc., par value \$0.001 (the "Common Stock").

Capitalized terms used herein but not defined shall have the meanings ascribed to them in the Original Statement. This Amendment amends the Original Statement as specifically set forth herein. Except as set forth below, all previous Items in the Original Statement remain unchanged.

The Amendment is being filed for the purpose of reflecting the interest payments paid in kind on the 2011 Notes and the 2012 Notes on December 31, 2013 and the execution of the term sheet described below under Item 6.

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

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

(a) Collectively, the Reporting Persons beneficially own an aggregate of 39,134,771 shares of Common Stock, representing (i) 5,063,667 shares of Common Stock that may be acquired upon conversion of the 2012 Notes (including interest paid in kind through December 31, 2013), (ii) 22,288,245 shares of Common Stock that may be acquired upon conversion of the 2011 Notes (including interest paid in kind through December 31, 2013), and (iii) 11,782,859 shares of Common Stock that may be acquired upon exercise of the Warrants. This aggregate amount represents approximately 22.0% of the Issuer's outstanding common stock, based upon 138,753,397 shares outstanding, as reported outstanding as of November 8, 2013 in the Issuer's most recent Quarterly Report on Form 10-Q, and gives effect to the conversion of all 2011 Notes and 2012 Notes into Common Stock and the exercise of all Warrants held by the Reporting Persons.

Of this amount:

(i) HCP Fund is the beneficial owner of (A) 2,358,656 shares of Common Stock underlying the current principal amount of the 2012 Note issued to it (including interest paid in kind through December 31, 2013), (B) 10,381,864 shares of Common Stock underlying the current principal amount of the 2011 Note issued to it (including interest paid in kind through December 31, 2013), and (C) 5,488,456 shares of Common Stock that it has a right to acquire upon exercise of its Warrant;

(ii) By virtue of their relationship to HCP Fund, described in more detail under Item 2 of this Statement, each of HealthCor Partners, L.P., HCPGP, HealthCor Partners Management, L.P., HCPMGP and Mr. Lightcap may be deemed to share beneficial ownership with HCP Fund of the shares of Common Stock beneficially owned by the HCP Fund;

CUSIP NO. 141743104 13D Page 17 of 20

(iii) Hybrid Fund is the beneficial owner of (A) 2,705,011 shares of Common Stock underlying the current principal amount of the 2012 Note issued to it (including interest paid in kind through December 31, 2013), (B) 11,906,380 shares of Common Stock underlying the current principal amount of the 2011 Note issued to it (including interest paid in kind through December 31, 2013), and (C) 6,294,403 shares of Common Stock that it has a right to acquire upon exercise of its Warrant;

(iv) By virtue of their relationship to Hybrid Fund, described in more detail under Item 2 of this Statement, each of Offshore GP, Group, HealthCor Management, L.P., and Associates may be deemed to share beneficial ownership with Hybrid Fund of the shares of Common Stock beneficially owned by the Hybrid Fund; and

(v) By virtue of their relationship to HCP Fund and Hybrid Fund, each of Messrs. Cohen and Healey may be deemed to share beneficial ownership of the shares of Common Stock beneficially owned by each of the Funds.

The filing of this Statement shall not be construed as an admission that any of the Reporting Persons is, for the purposes of Section 13(d) or 13(g) of the Securities Exchange Act of 1934, as amended, the beneficial owner of any of the shares of Common Stock owned by the Funds. Pursuant to Rule 13d-4, each of the Reporting Persons disclaims such beneficial ownership.

(b) The information in Items 7 through 10 of each cover page to this Statement is incorporated by reference into this Item 5(b).

(c) On December 31, 2013, the Issuer paid in-kind interest on the 2011 Notes in the amounts of \$393,252 and \$450,999, and on the 2012 Notes in the amounts of \$89,343 and \$102,463, in each case to HCP Fund and Hybrid Fund, respectively. Except as set forth in the previous sentence or as described below under Item 6, the Reporting Persons have effected no transactions relating to the Common Stock during the past 60 days.

(d)-(e) Inapplicable.



Item 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Item 6 is hereby amended and supplemented as follows:

On December 27, 2013, the Issuer and the Funds entered into a binding term sheet (the "Term Sheet") that outlines an additional investment by the Funds in convertible notes of the Issuer in aggregate principal amount of \$5 million (the "Financing"). The new notes, when issued, will have a ten-year term, paying interest in kind at an annual rate of 12.5%, payable quarterly, for the first five years, and thereafter paying interest either in cash or in kind, at the Issuer's election, at an annual rate of 10.0%. The new notes will have a conversion price of \$0.40 per share. In connection with the Financing, the Issuer will issue warrants to the Funds to purchase 4 million shares of Common Stock (subject to potential adjustment) at an exercise price of \$0.40 per share. The Financing is expected to close in mid-January, and is subject to a number of terms and conditions outlined in the Term Sheet. This summary is qualified in its entirety by reference to the Term Sheet which is included as Exhibit 14 to this Statement and incorporated by reference herein.

CUSIP NO. 141743104 13D Page **18** of **20**

Item 7. MATERIAL TO BE FILED AS EXHIBITS

Item 7 is hereby supplemented as follows:

Exhibit No. Description

14 Term Sheet dated as of December 27, 2013.

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SIGNATURES

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.

January 3, 2014

HEALTHCOR MANAGEMENT, L.P.

By: HealthCor  
Associates, LLC, its  
general partner

By: /s/ John H. Coghlin  
Name: John H. Coghlin  
Title: General Counsel

HEALTHCOR HYBRID OFFSHORE GP, LLC, for itself and as general  
partner on behalf of HEALTHCOR HYBRID OFFSHORE MASTER FUND,  
L.P.

By: HealthCor Group,  
LLC, its general partner

By: /s/ John H. Coghlin  
Name: John H. Coghlin  
Title: General Counsel

HEALTHCOR ASSOCIATES, LLC

By: /s/ John H. Coghlin  
Name: John H. Coghlin  
Title: General Counsel

HEALTHCOR GROUP, LLC

By: /s/ John H. Coghlin  
Name: John H. Coghlin  
Title: General Counsel

HEALTHCOR PARTNERS MANAGEMENT, L.P.

By: HealthCor Partners Management GP, LLC, its general partner

By: /s/ John H. Coghlin  
Name: John H. Coghlin  
Title: General Counsel

CUSIP NO. 141743104 13D Page **20** of **20**

HEALTHCOR PARTNERS MANAGEMENT GP, LLC

By: /s/ John H. Coghlin  
Name: John H. Coghlin  
Title: General Counsel

HEALTHCOR PARTNERS L.P., for itself and as general partner on behalf of HEALTHCOR PARTNERS FUND, L.P.

By: HealthCor Partners GP, LLC, its general partner

By: /s/ John H. Coghlin  
Name: John H. Coghlin  
Title: General Counsel

HEALTHCOR PARTNERS GP, LLC

By: /s/ John H. Coghlin  
Name: John H. Coghlin  
Title: General Counsel

JEFFREY C. LIGHTCAP, Individually

/s/ Jeffrey C. Lightcap

JOSEPH HEALEY, Individually

/s/ Joseph Healey

ARTHUR COHEN, Individually

/s/ Arthur Cohen

