

LAURUS MASTER FUND LTD
Form SC 13G/A
February 14, 2006

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 1)*

CATALYST LIGHTING GROUP, INC.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

14887U102

(CUSIP Number)

December 31, 2005

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule 13G is filed:

- Rule 13d-1(b)
 Rule 13d-1(c)
 Rule 13d-1(d)

*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 the disclosures provided in a prior cover page.

The information required in 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. 14887U102

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON (ENTITIES ONLY).

Laurus Master Fund, Ltd.
98-0337673

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)
(a)
(b)

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3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

	5	SOLE VOTING POWER	
			250,000 shares of Common Stock.*
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	6	SHARED VOTING POWER	
			250,000 shares of Common Stock.*
	7	SOLE DISPOSITIVE POWER	
			250,000 shares of Common Stock.*
	8	SHARED DISPOSITIVE POWER	
			250,000 shares of Common Stock.*

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

250,000 shares of Common Stock.

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
(SEE INSTRUCTIONS)

|X|

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

5.97%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

CO

* As of December 31, 2005, Laurus Master Fund, Ltd. (the "Fund") held (i) a Secured Convertible Term Note, as amended and restated, in the aggregate initial principal amount of \$2,000,000, which is convertible into common stock, par value \$0.01 per share (the "Shares"), of Catalyst Lighting Group, Inc., a Delaware corporation (the "Company"), at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Term Note"), (ii) a Secured Revolving Note, as amended and restated, in the aggregate initial principal amount of \$3,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Revolving Note"), (iii) a Secured Convertible Minimum Borrowing Note, as amended and restated, in the aggregate initial principal amount of \$1,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "MB Note"), (iv) a warrant (the "September Warrant") to acquire 472,000 Shares, at an exercise price of \$3.00 per share, (v) a warrant (the "December Warrant") to acquire 100,000 Shares at an exercise price of \$3.00 per share, and (vi) 250,000 Shares. Each of the Term Note, Revolving Note, MB Note, September Warrant and December Warrant contains an issuance limitation prohibiting the Fund from exercising those securities to the extent that such exercise would result in

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beneficial ownership by the Fund of more than 4.99% of the Shares then issued and outstanding (the "Issuance Limitation"). The Issuance Limitation may be waived by the Fund upon 75 days prior notice to the Company and shall automatically become null and void upon the occurrence and/or continuance of an event of default (as defined in and pursuant to the terms of the applicable instrument). The Fund is managed by Laurus Capital Management, LLC. Eugene Grin and David Grin, through other entities, are the controlling principals of Laurus Capital Management, LLC and share sole voting and investment power over the securities owned by the Fund reported in this Schedule 13G, as amended.

CUSIP No. 14887U102

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON (ENTITIES ONLY).

Laurus Capital Management, LLC
13-4150669

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)
(a)
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

	5	SOLE VOTING POWER	
			250,000 shares of Common Stock.*
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	6	SHARED VOTING POWER	
			250,000 shares of Common Stock.*
	7	SOLE DISPOSITIVE POWER	
			250,000 shares of Common Stock.*
	8	SHARED DISPOSITIVE POWER	
			250,000 shares of Common Stock.*

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

250,000 shares of Common Stock.

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
(SEE INSTRUCTIONS)

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

5.97%

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12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

OO

* As of December 31, 2005, Laurus Master Fund, Ltd. (the "Fund") held (i) a Secured Convertible Term Note, as amended and restated, in the aggregate initial principal amount of \$2,000,000, which is convertible into common stock, par value \$0.01 per share (the "Shares"), of Catalyst Lighting Group, Inc., a Delaware corporation (the "Company"), at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Term Note"), (ii) a Secured Revolving Note, as amended and restated, in the aggregate initial principal amount of \$3,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Revolving Note"), (iii) a Secured Convertible Minimum Borrowing Note, as amended and restated, in the aggregate initial principal amount of \$1,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "MB Note"), (iv) a warrant (the "September Warrant") to acquire 472,000 Shares, at an exercise price of \$3.00 per share, (v) a warrant (the "December Warrant") to acquire 100,000 Shares at an exercise price of \$3.00 per share, and (vi) 250,000 Shares. Each of the Term Note, Revolving Note, MB Note, September Warrant and December Warrant contains an issuance limitation prohibiting the Fund from exercising those securities to the extent that such exercise would result in beneficial ownership by the Fund of more than 4.99% of the Shares then issued and outstanding (the "Issuance Limitation"). The Issuance Limitation may be waived by the Fund upon 75 days prior notice to the Company and shall automatically become null and void upon the occurrence and/or continuance of an event of default (as defined in and pursuant to the terms of the applicable instrument). The Fund is managed by Laurus Capital Management, LLC. Eugene Grin and David Grin, through other entities, are the controlling principals of Laurus Capital Management, LLC and share sole voting and investment power over the securities owned by the Fund reported in this Schedule 13G, as amended.

CUSIP No. 14887U102

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON (ENTITIES ONLY).

David Grin

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

(a)

(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Israel

5 SOLE VOTING POWER

250,000 shares of Common Stock.*

NUMBER OF SHARES 6 SHARED VOTING POWER

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BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 250,000 shares of Common Stock.*

7 SOLE DISPOSITIVE POWER

250,000 shares of Common Stock.*

8 SHARED DISPOSITIVE POWER

250,000 shares of Common Stock.*

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

250,000 shares of Common Stock.

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

|X|

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

5.97%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

* As of December 31, 2005, Laurus Master Fund, Ltd. (the "Fund") held (i) a Secured Convertible Term Note, as amended and restated, in the aggregate initial principal amount of \$2,000,000, which is convertible into common stock, par value \$0.01 per share (the "Shares"), of Catalyst Lighting Group, Inc., a Delaware corporation (the "Company"), at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Term Note"), (ii) a Secured Revolving Note, as amended and restated, in the aggregate initial principal amount of \$3,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Revolving Note"), (iii) a Secured Convertible Minimum Borrowing Note, as amended and restated, in the aggregate initial principal amount of \$1,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "MB Note"), (iv) a warrant (the "September Warrant") to acquire 472,000 Shares, at an exercise price of \$3.00 per share, (v) a warrant (the "December Warrant") to acquire 100,000 Shares at an exercise price of \$3.00 per share, and (vi) 250,000 Shares. Each of the Term Note, Revolving Note, MB Note, September Warrant and December Warrant contains an issuance limitation prohibiting the Fund from exercising those securities to the extent that such exercise would result in beneficial ownership by the Fund of more than 4.99% of the Shares then issued and outstanding (the "Issuance Limitation"). The Issuance Limitation may be waived by the Fund upon 75 days prior notice to the Company and shall automatically become null and void upon the occurrence and/or continuance of an event of default (as defined in and pursuant to the terms of the applicable instrument). The Fund is managed by Laurus Capital Management, LLC. Eugene Grin and David Grin, through other entities, are the controlling principals of Laurus Capital Management, LLC and share sole voting and investment power over the securities owned by the Fund reported in this Schedule 13G, as amended.

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1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON (ENTITIES ONLY).

David Grin

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)
(a)
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Israel

	5	SOLE VOTING POWER	
			250,000 shares of Common Stock.*
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	6	SHARED VOTING POWER	
			250,000 shares of Common Stock.*
	7	SOLE DISPOSITIVE POWER	
			250,000 shares of Common Stock.*
	8	SHARED DISPOSITIVE POWER	
			250,000 shares of Common Stock.*

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

250,000 shares of Common Stock.

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
(SEE INSTRUCTIONS)

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

5.97%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

* As of December 31, 2005, Laurus Master Fund, Ltd. (the "Fund") held (i) a Secured Convertible Term Note, as amended and restated, in the aggregate initial principal amount of \$2,000,000, which is convertible into common stock, par value \$0.01 per share (the "Shares"), of Catalyst Lighting Group, Inc., a Delaware corporation (the "Company"), at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Term Note"), (ii) a Secured Revolving Note, as amended and restated, in the aggregate initial principal amount of \$3,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Revolving Note"), (iii) a Secured Convertible Minimum Borrowing Note, as amended and restated, in the aggregate

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initial principal amount of \$1,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "MB Note"), (iv) a warrant (the "September Warrant") to acquire 472,000 Shares, at an exercise price of \$3.00 per share, (v) a warrant (the "December Warrant") to acquire 100,000 Shares at an exercise price of \$3.00 per share, and (vi) 250,000 Shares. Each of the Term Note, Revolving Note, MB Note, September Warrant and December Warrant contains an issuance limitation prohibiting the Fund from exercising those securities to the extent that such exercise would result in beneficial ownership by the Fund of more than 4.99% of the Shares then issued and outstanding (the "Issuance Limitation"). The Issuance Limitation may be waived by the Fund upon 75 days prior notice to the Company and shall automatically become null and void upon the occurrence and/or continuance of an event of default (as defined in and pursuant to the terms of the applicable instrument). The Fund is managed by Laurus Capital Management, LLC. Eugene Grin and David Grin, through other entities, are the controlling principals of Laurus Capital Management, LLC and share sole voting and investment power over the securities owned by the Fund reported in this Schedule 13G, as amended.

CUSIP No. 14887U102

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON (ENTITIES ONLY).

Eugene Grin

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)
(a)
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER
250,000 shares of Common Stock.*

NUMBER OF 6 SHARED VOTING POWER
SHARES 250,000 shares of Common Stock.*
BENEFICIALLY OWNED BY

EACH 7 SOLE DISPOSITIVE POWER
REPORTING 250,000 shares of Common Stock.*
PERSON WITH

8 SHARED DISPOSITIVE POWER
250,000 shares of Common Stock.*

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

250,000 shares of Common Stock.

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
(SEE INSTRUCTIONS)

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11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

5.97%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

* As of December 31, 2005, Laurus Master Fund, Ltd. (the "Fund") held (i) a Secured Convertible Term Note, as amended and restated, in the aggregate initial principal amount of \$2,000,000, which is convertible into common stock, par value \$0.01 per share (the "Shares"), of Catalyst Lighting Group, Inc., a Delaware corporation (the "Company"), at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Term Note"), (ii) a Secured Revolving Note, as amended and restated, in the aggregate initial principal amount of \$3,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Revolving Note"), (iii) a Secured Convertible Minimum Borrowing Note, as amended and restated, in the aggregate initial principal amount of \$1,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "MB Note"), (iv) a warrant (the "September Warrant") to acquire 472,000 Shares, at an exercise price of \$3.00 per share, (v) a warrant (the "December Warrant") to acquire 100,000 Shares at an exercise price of \$3.00 per share, and (vi) 250,000 Shares. Each of the Term Note, Revolving Note, MB Note, September Warrant and December Warrant contains an issuance limitation prohibiting the Fund from exercising those securities to the extent that such exercise would result in beneficial ownership by the Fund of more than 4.99% of the Shares then issued and outstanding (the "Issuance Limitation"). The Issuance Limitation may be waived by the Fund upon 75 days prior notice to the Company and shall automatically become null and void upon the occurrence and/or continuance of an event of default (as defined in and pursuant to the terms of the applicable instrument). The Fund is managed by Laurus Capital Management, LLC. Eugene Grin and David Grin, through other entities, are the controlling principals of Laurus Capital Management, LLC and share sole voting and investment power over the securities owned by the Fund reported in this Schedule 13G, as amended.

Item 1(a). Name of Issuer: CATALYST LIGHTING GROUP, INC.

Item 1(b). Address of Issuer's Principal Executive Offices:
7700 Wyatt Drive, Fort Worth, Texas 76108

Item 2(a). Name of Person Filing: Laurus Master Fund, Ltd.

This Schedule 13G, as amended, is also filed on behalf of Laurus Capital Management, LLC, a Delaware limited liability company, Eugene Grin and David Grin. Laurus Capital Management, LLC manages Laurus Master Fund, Ltd. Eugene Grin and David Grin, through other entities, are the controlling principals of Laurus Capital Management, LLC and share sole voting and investment power over the shares owned by Laurus Master Fund, Ltd. Information related to each of Laurus Capital Management, LLC, Eugene Grin and David Grin is set forth on Appendix A hereto.

Item 2(b). Address of Principal Business Office or if none, Residence: c/o
Laurus Capital Management, LLC, 825 Third Avenue, 14th Floor, New

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York, NY 10022

Item 2(c). Citizenship: Cayman Islands

Item 2(d). Title of Class of Securities: Common Stock

Item 2(e). CUSIP Number: 14887U102

Item 3. Not Applicable

Item 4. Ownership:

(a) Amount Beneficially Owned: 250,000 shares of Common Stock*

(b) Percent of Class: 5.97%*

(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote: 250,000 shares of Common Stock*

(ii) shared power to vote or to direct the vote: 250,000 shares of Common Stock*

(iii) sole power to dispose or to direct the disposition of: 250,000 shares of Common Stock*

(iv) shared power to dispose or to direct the disposition of: 250,000 shares of Common Stock*

Item 5. Ownership of Five Percent or Less of a Class: Not applicable

Item 6. Ownership of More than Five Percent on Behalf of Another Person: Not applicable

Item 7. Identification and Classification of Subsidiary Which Acquired the Securities: Not applicable

Item 8. Identification and Classification of Members of the Group: Not applicable

Item 9. Notice of Dissolution of Group: Not applicable

Item 10. Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

* As of December 31, 2005, Laurus Master Fund, Ltd. (the "Fund") held (i) a Secured Convertible Term Note, as amended and restated, in the aggregate initial principal amount of \$2,000,000, which is convertible into common stock, par value \$0.01 per share (the "Shares"), of Catalyst Lighting Group, Inc., a Delaware corporation (the "Company"), at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Term Note"), (ii) a Secured Revolving Note, as amended and restated, in the aggregate initial principal amount of

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\$3,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "Revolving Note"), (iii) a Secured Convertible Minimum Borrowing Note, as amended and restated, in the aggregate initial principal amount of \$1,000,000, which is convertible into Shares, at a conversion rate of \$1.50 per share, subject to certain adjustments (the "MB Note"), (iv) a warrant (the "September Warrant") to acquire 472,000 Shares, at an exercise price of \$3.00 per share, (v) a warrant (the "December Warrant") to acquire 100,000 Shares at an exercise price of \$3.00 per share, and (vi) 250,000 Shares. Each of the Term Note, Revolving Note, MB Note, September Warrant and December Warrant contains an issuance limitation prohibiting the Fund from exercising those securities to the extent that such exercise would result in beneficial ownership by the Fund of more than 4.99% of the Shares then issued and outstanding (the "Issuance Limitation"). The Issuance Limitation may be waived by the Fund upon 75 days prior notice to the Company and shall automatically become null and void upon the occurrence and/or continuance of an event of default (as defined in and pursuant to the terms of the applicable instrument). The Fund is managed by Laurus Capital Management, LLC. Eugene Grin and David Grin, through other entities, are the controlling principals of Laurus Capital Management, LLC and share sole voting and investment power over the securities owned by the Fund reported in this Schedule 13G, as amended.

SIGNATURE

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.

February 14, 2006

Date

/s/ David Grin

David Grin
Director

APPENDIX A

- A. Name: Laurus Capital Management, LLC, a Delaware limited liability company
Business Address: 825 Third Avenue, 14th Floor
Address: New York, New York 10022
Place of Organization: Delaware
- B. Name: Eugene Grin
Business Address: 825 Third Avenue, 14th Floor
Address: New York, New York 10022

Principal Occupation: Director of Laurus Master Fund, Ltd.
Occupation: Principal of Laurus Capital Management, LLC
Citizenship: United States
- C. Name: David Grin
Business Address: 825 Third Avenue, 14th Floor
Address: New York, New York 10022

Principal Occupation: Director of Laurus Master Fund, Ltd.
Occupation: Principal of Laurus Capital Management, LLC
Citizenship: Israel

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Each of Laurus Capital Management, LLC, Eugene Grin and David Grin hereby agrees, by their execution below, that the Schedule 13G, as amended, to which this Appendix A is attached is filed on behalf of each of them, respectively.

Laurus Capital Management, LLC

/s/ David Grin

David Grin
Principal
February 14, 2006

/s/ David Grin

David Grin, on his individual behalf
February 14, 2006

/s/ Eugene Grin

Eugene Grin, on his individual behalf
February 14, 2006