

LJ INTERNATIONAL INC
Form SC 13G/A
February 17, 2009

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

SCHEDULE 13G
(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULES 13d-1(b), (c), AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b)
(Amendment No. 1)¹

LJ International Inc.
(Name of Issuer)

Common Stock, Par Value \$0.01 Per Share
(Title of Class of Securities)

G55312105
(CUSIP Number)

December 31, 2008
(Date of Event Which Requires Filing of this Statement)

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

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

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 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. G55312105

1 NAME OF REPORTING PERSON

Ramius Select Equity Fund LP

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		16,667 shares (1)
	6	SHARED VOTING POWER
		0 shares
	7	SOLE DISPOSITIVE POWER
		16,667 shares (1)
	8	SHARED DISPOSITIVE POWER
		0 shares

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

16,667 shares (1)

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

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

Less than 1%

12 TYPE OF REPORTING PERSON

PN

(1) Consists of 16,667 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

RCG Baldwin, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a) x
GROUP (b) o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF 5 SOLE VOTING POWER
SHARES

BENEFICIALLY OWNED BY 6 0 shares

EACH REPORTING PERSON WITH 7 SHARED VOTING POWER

8 0 shares
SOLE DISPOSITIVE POWER

8 0 shares
SHARED DISPOSITIVE POWER

9 0 shares
AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10 0 shares
CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

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

12 0%
TYPE OF REPORTING PERSON

PN

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

Ramius Enterprise Master Fund Ltd

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		150,200 shares (1)
	6	SHARED VOTING POWER
		0 shares
	7	SOLE DISPOSITIVE POWER
		150,200 shares (1)
	8	SHARED DISPOSITIVE POWER
		0 shares

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

150,200 shares (1)

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

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

Less than 1%

12 TYPE OF REPORTING PERSON

CO

(1) Includes 50,000 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

RCG PB, Ltd

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		100,000
	6	SHARED VOTING POWER
		0 shares
	7	SOLE DISPOSITIVE POWER
		100,000
	8	SHARED DISPOSITIVE POWER
		0 shares

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

100,000

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

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

Less than 1%

12 TYPE OF REPORTING PERSON

CO

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

Portside Growth and Opportunity Fund

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		100,000 shares (1)
	6	SHARED VOTING POWER
		0 shares
	7	SOLE DISPOSITIVE POWER
		100,000 shares (1)
	8	SHARED DISPOSITIVE POWER
		0 shares

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

100,000 shares (1)

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

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

Less than 1%

12 TYPE OF REPORTING PERSON

CO

(1) Consists of 100,000 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

Ramius Advisors, LLC

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		266,867 shares (1)
	6	SHARED VOTING POWER
		0 shares
	7	SOLE DISPOSITIVE POWER
		266,867 shares (1)
	8	SHARED DISPOSITIVE POWER
		0 shares

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

266,867 shares (1)

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

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

1.2%

12 TYPE OF REPORTING PERSON

OO

(1) Includes 66,667 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

Ramius LLC

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		366,867 shares (1)
	6	SHARED VOTING POWER
		0 shares
	7	SOLE DISPOSITIVE POWER
		366,867 shares (1)
	8	SHARED DISPOSITIVE POWER
		0 shares

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

366,867 shares (1)

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

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

1.6%

12 TYPE OF REPORTING PERSON

IA, OO

(1) Includes 166,667 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

C4S & Co., L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a) x
GROUP (b) o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES	5	SOLE VOTING POWER
BENEFICIALLY		366,867 shares (1)
OWNED BY	6	SHARED VOTING POWER
EACH		0 shares
REPORTING	7	SOLE DISPOSITIVE POWER
PERSON WITH		366,867 shares (1)
	8	SHARED DISPOSITIVE POWER
		0 shares

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

366,867 shares (1)

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

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

1.6%

12 TYPE OF REPORTING PERSON

OO

(1) Includes 166,667 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

Peter A. Cohen

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		0 shares
	6	SHARED VOTING POWER
		366,867 shares (1)
	7	SOLE DISPOSITIVE POWER
		0 shares
	8	SHARED DISPOSITIVE POWER
		366,867 shares (1)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

366,867 shares (1)

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

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

1.6%

12 TYPE OF REPORTING PERSON

IN

(1) Includes 166,667 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

Morgan B. Stark

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		0 shares
	6	SHARED VOTING POWER
		366,867 shares (1)
	7	SOLE DISPOSITIVE POWER
		0 shares
	8	SHARED DISPOSITIVE POWER
		366,867 shares (1)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

366,867 shares (1)

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

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

1.6%

12 TYPE OF REPORTING PERSON

IN

(1) Includes 166,667 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

Thomas W. Strauss

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a) x
GROUP (b) o

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		0 shares
	6	SHARED VOTING POWER
		366,867 shares (1)
	7	SOLE DISPOSITIVE POWER
		0 shares
	8	SHARED DISPOSITIVE POWER
		366,867 shares (1)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

366,867 shares (1)

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

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

1.6%

12 TYPE OF REPORTING PERSON

IN

(1) Includes 166,667 shares of Common Stock currently issuable upon the exercise of certain warrants.

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CUSIP NO. G55312105

1 NAME OF REPORTING PERSON

Jeffrey M. Solomon

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

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
		0 shares
	6	SHARED VOTING POWER
		366,867 shares (1)
	7	SOLE DISPOSITIVE POWER
		0 shares
	8	SHARED DISPOSITIVE POWER
		366,867 shares (1)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

366,867 shares (1)

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

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

1.6%

12 TYPE OF REPORTING PERSON

IN

(1) Includes 166,667 shares of Common Stock currently issuable upon the exercise of certain warrants.

CUSIP NO. G55312105

Item 1(a).

Name of Issuer:

LJ International Inc., a British Virgin Islands company (the "Issuer").

Item 1(b).

Address of Issuer's Principal Executive Offices:

Unit #12, 12/F, Block A
Focal Industrial Centre
21 Man Lok Street, Hung Hom, Hong Kong

Item 2(a).

Name of Person Filing

Item 2(b).

Address of Principal Business Office or, if None, Residence

Item 2(c).

Citizenship

Ramius LLC ("Ramius")
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: Delaware

Ramius Select Equity Fund LP (f/k/a RCG Crimson Partners, L.P.) ("Select Equity Fund")
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: Delaware

RCG Baldwin, L.P. ("RCG Baldwin")
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: Delaware

Ramius Enterprise Master Fund Ltd (f/k/a RCG Enterprise, Ltd) ("Enterprise Master Fund")
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: Cayman Islands

RCG PB, Ltd ("RCG PB")
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: Cayman Islands

Portside Growth and Opportunity Fund ("Portside")
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: Cayman Islands

Ramius Advisors, LLC (“Ramius Advisors”)
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: Delaware

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CUSIP NO. G55312105

C4S & Co., L.L.C. (“C4S”)
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: Delaware

Peter A. Cohen (“Mr. Cohen”)
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: United States

Morgan B. Stark (“Mr. Stark”)
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: United States

Thomas W. Strauss (“Mr. Strauss”)
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: United States

Jeffrey M. Solomon (“Mr. Solomon”)
c/o Ramius LLC
599 Lexington Avenue, 20th Floor
New York, New York 10022
Citizenship: United States

Each of the foregoing is referred to as a “Reporting Person” and collectively as the “Reporting Persons.”

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

Common Stock, par value \$0.01 per share (“Common Stock”)

Item 2(e). CUSIP Number:

G55312105

Item 3. If This Statement is Filed Pursuant to Rule 13d-1(b), or 13d-2(b) or (c), Check Whether the Person Filing is a:

/x/ Not applicable.

(a) // Broker or dealer registered under Section 15 of the Exchange Act.

(b) // Bank as defined in Section 3(a)(6) of the Exchange Act.

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- (c) // Insurance company as defined in Section 3(a)(19) of the Exchange Act.
- (d) // Investment company registered under Section 8 of the Investment Company Act.
- (e) // An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E).
- (f) // An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F).
- (g) // A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G).
- (h) // A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act.
- (i) // A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act.
- (j) // Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

Item 4. Ownership

(a) Amount beneficially owned:

As of January 31, 2009, (i) Select Equity Fund beneficially owns 16,667 shares of Common Stock issuable upon the exercise of certain warrants, (ii) RCG Baldwin does not beneficially own any shares of Common Stock, (iii) Enterprise Master Fund beneficially owns 100,200 shares of Common Stock and 50,000 shares of Common Stock issuable upon the exercise of certain warrants, (iv) Portside beneficially owns 100,000 shares of Common Stock issuable upon the exercise of certain warrants and (v) RCG PB beneficially owns 100,000 shares of Common Stock.

Ramius Advisors, as the investment manager of Enterprise Master Fund, the investment advisor of RCG PB and the general partner of Select Equity Fund, may be deemed to beneficially own the (i) 150,200 shares of Common Stock beneficially owned by Enterprise Master Fund, (ii) 100,000 shares of Common Stock beneficially owned by RCG PB and (iii) 16,667 shares of Common Stock beneficially owned by Select Equity Fund.

Ramius, as the sole member of Ramius Advisors and the investment manager of Portside, may be deemed to beneficially own the (i) 150,200 shares of Common Stock beneficially owned by Enterprise Master Fund, (ii) 100,000 shares of Common Stock beneficially owned by RCG PB, (iii) 16,667 shares of Common Stock beneficially owned by Select Equity Fund and (iv) 100,000 shares of Common Stock beneficially owned by Portside.

C4S, as the managing member of Ramius, may be deemed to beneficially own the 366,867 shares of Common Stock beneficially owned in the aggregate by Ramius.

Messrs. Cohen, Stark, Strauss and Solomon, as the sole managing members of C4S, may be deemed to beneficially own the 366,867 shares of Common Stock beneficially owned in the aggregate by C4S.

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The foregoing should not be construed in and of itself as an admission by any Reporting Person as to beneficial ownership of any shares of Common Stock owned by another Reporting Person. In addition, each of Ramius, C4S and Messrs. Cohen, Stark, Strauss and Solomon, disclaims beneficial ownership of the shares beneficially owned by Select Equity Fund, RCG PB, Portside and Enterprise Master Fund and the filing of this statement shall not be construed as an admission that any such person is the beneficial owner of any such securities.

(b) Percent of class:

Based on 22,761,172 shares issued and outstanding as of September 24, 2008, as reported in the Issuer's definitive proxy statement on Schedule 14A filed with the Securities and Exchange Commission on September 26, 2008, (i) Select Equity Fund may be deemed to beneficially own less than one percent of the outstanding shares of Common Stock, (ii) Enterprise Master Fund may be deemed to beneficially own less than one percent of the outstanding shares of Common Stock, (iii) RCG PB may be deemed to beneficially own less than one percent of the outstanding shares of Common Stock, (iv) Portside may be deemed to beneficially own less than one percent of the outstanding shares of Common Stock, (v) Ramius Advisors may be deemed to beneficially own approximately 1.2% of the outstanding shares of Common Stock and (vii) each of Ramius, C4S and Messrs. Cohen, Stark, Strauss and Solomon may be deemed to beneficially own approximately 1.6% of the outstanding shares of Common Stock.

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

- (i) Sole power to vote or to direct the vote
See Cover Pages Items 5-9.
- (ii) Shared power to vote or to direct the vote
See Cover Pages Items 5-9.
- (iii) Sole power to dispose or to direct the disposition of
See Cover Pages Items 5-9.
- (iv) Shared power to dispose or to direct the disposition of
See Cover Pages Items 5-9.

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.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [X].

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Item 7. Identification and Classification of the Subsidiary That Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

Not Applicable

Item 8. Identification and Classification of Members of the Group.

See Exhibit 99.1 to the Schedule 13G dated May 8, 2008.

Item 9. Notice of Dissolution of Group.

Not Applicable

Item 10. Certifications.

By signing below each of the undersigned certifies that, to the best of its 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.

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SIGNATURE

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

Dated: February 13, 2009

RAMIUS ENTERPRISE MASTER FUND LTD RAMIUS ADVISORS, LLC

By: Ramius LLC,
its investment manager

By: Ramius LLC,
its sole member

RCG BALDWIN, L.P.

RAMIUS SELECT EQUITY FUND LP

By: Ramius Advisors, LLC,
its general partner

By: Ramius Advisors, LLC,
its general partner

PORTSIDE GROWTH AND
OPPORTUNITY FUND

RAMIUS LLC

By: Ramius LLC,
its investment manager

By: C4S & Co., L.L.C.,
as managing member

RCG PB, LTD

C4S & CO., L.L.C.

By: Ramius Advisors, LLC,
its investment advisor

By: /s/ Jeffrey M. Solomon
Name: Jeffrey M. Solomon
Title: Authorized Signatory

JEFFREY M. SOLOMON

/s/ Jeffrey M. Solomon
Individually and as attorney-in-fact for
Peter A. Cohen, Morgan B. Stark and
Thomas W. Strauss