

H&Q LIFE SCIENCES INVESTORS  
Form SC 13D/A  
February 25, 2011

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

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. 2)1

H&Q Life Sciences Investors

(Name of Issuer)

Shares of Beneficial Interest, Par Value \$.01 Per Share

(Title of Class of Securities)

404053100  
(CUSIP Number)

STEVEN WOLOSKY, ESQ.  
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

February 24, 2011

(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 §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-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 § 240.13d-7 for other parties to whom copies are to be sent.

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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).

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CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO, WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		1,328,513
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		1,328,513
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,328,513

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

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

6.1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

ARTHUR D. LIPSON

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO, PF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		1,328,723
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		1,328,723
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,328,723

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

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

6.1%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT HEDGED PARTNERS L.P.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		505,548
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		505,548
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

505,548

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

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

2.3%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT ACTIVISM PARTNERS LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		141,884
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		141,884
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

141,884

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

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

LESS THAN 1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT TOTAL RETURN PARTNERS L.P.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		171,489
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		171,489
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

171,489

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

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

LESS THAN 1%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT TOTAL RETURN FUND LTD.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		509,092
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		509,092
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

509,092

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

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

2.3%

14 TYPE OF REPORTING PERSON

CO



CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

BENCHMARK PLUS INSTITUTIONAL PARTNERS, L.L.C.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		428,062
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		428,062
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

428,062

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

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

2.0%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

BENCHMARK PLUS PARTNERS, L.L.C.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		100
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		100
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

100

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

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

LESS THAN 1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

BENCHMARK PLUS MANAGEMENT, L.L.C.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		428,162
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		428,162
	10	SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

428,162

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

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

2.0%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

ROBERT FERGUSON

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF	7	SOLE VOTING POWER
SHARES		
BENEFICIALLY		428,162
OWNED BY	8	SHARED VOTING POWER
EACH		
REPORTING		- 0 -
PERSON WITH	9	SOLE DISPOSITIVE POWER
	10	428,162
		SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

428,162

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

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

2.0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 404053100

1 NAME OF REPORTING PERSON

SCOTT FRANZBLAU

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		428,162
	8	SHARED VOTING POWER
		- 0 -
	9	SOLE DISPOSITIVE POWER
		428,162
	10	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

428,162

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

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

2.0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 404053100

The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned ("Amendment No. 2"). This Amendment No. 2 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is amended and restated to read as follows:

The aggregate purchase price of the 1,328,513 Shares beneficially owned by WILLC is approximately \$13,958,197. The Shares beneficially owned by WILLC consist of 500 Shares that were acquired with WILLC's working capital, 505,548 Shares that were acquired with WIHP's working capital, 141,884 Shares that were acquired with WIAP's working capital, 171,489 Shares that were acquired with WITRP's working capital and 509,092 Shares that were acquired with WITRL's working capital.

The aggregate purchase price of the 210 Shares directly owned by Mr. Lipson is approximately \$1,693. The Shares directly owned by Mr. Lipson were acquired with personal funds.

The aggregate purchase price of the 428,162 Shares beneficially owned by BPM is approximately \$4,205,623. The Shares beneficially owned by BPM consist of 428,062 Shares that were acquired with BPIP's working capital and 171,489 Shares that were acquired with BPP's working capital.

Item 5. Interest in Securities of the Issuer.

Item 5(a) is amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 21,842,141 Shares outstanding, which is the total number of Shares outstanding as of September 30, 2010, as reported in the Issuer's Annual Report to Stockholders on Form N-CSR, filed with the Securities and Exchange Commission on December 1, 2010.

As of the date hereof, WIHP, WIAP, WITRP and WITRL beneficially owned 505,548, 141,884, 171,489 and 509,092 Shares, respectively, constituting approximately 2.3%, less than 1%, less than 1% and 2.3%, respectively, of the Shares outstanding.

As the general partner of each of WIHP and WITRP, the managing member of WIAP and the investment manager of WITRL, WILLC may be deemed to beneficially own the 1,328,013 Shares owned in the aggregate by WIHP, WIAP, WITRP and WITRL, constituting approximately 6.1% of the Shares outstanding, in addition to the 500 Shares it holds directly.

As the managing member of WILLC, Mr. Lipson may be deemed to beneficially own the 1,328,513 Shares beneficially owned by WILLC, constituting approximately 6.1% of the Shares outstanding, in addition to the 210 Shares he owns directly.

CUSIP NO. 404053100

As of the date hereof, BPIP and BPP beneficially owned 428,062 and 100 Shares, respectively, constituting approximately 2.0% and less than 1%, respectively, of the Shares outstanding. As the managing member of each of BPIP and BPP, BPM may be deemed to beneficially own the 428,162 Shares owned in the aggregate by BPIP and BPP, constituting approximately 2.0% of the Shares outstanding. As managing members of BPM, each of Messrs. Franzblau and Ferguson may be deemed to beneficially own the 428,162 Shares beneficially owned by BPM, constituting approximately 2.0% of the Shares outstanding.

Item 5(c) is amended to add the following:

(c) Schedule B annexed hereto lists all transactions in securities of the Issuer since the filing of Amendment No. 1 to the Schedule 13D. All of such transactions were effected in the open market.

14

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CUSIP NO. 404053100

SIGNATURES

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 24, 2011

WESTERN INVESTMENT LLC

By: /s/ Arthur D. Lipson  
Name: Arthur D. Lipson  
Title: Managing Member

WESTERN INVESTMENT HEDGED PARTNERS L.P.

By: Western Investment LLC  
General Partner

By: /s/ Arthur D. Lipson  
Name: Arthur D. Lipson  
Title: Managing Member

WESTERN INVESTMENT ACTIVISM PARTNERS LLC

By: Western Investment LLC  
Managing Member

By: /s/ Arthur D. Lipson  
Name: Arthur D. Lipson  
Title: Managing Member

WESTERN INVESTMENT TOTAL RETURN PARTNERS L.P.

By: Western Investment LLC  
General Partner

By: /s/ Arthur D. Lipson  
Name: Arthur D. Lipson  
Title: Managing Member

WESTERN INVESTMENT TOTAL RETURN FUND LTD.

By: Western Investment LLC  
Investment Manager

By: /s/ Arthur D. Lipson  
Name: Arthur D. Lipson  
Title: Managing Member



/s/ Arthur D. Lipson  
ARTHUR D. LIPSON

CUSIP NO. 404053100

BENCHMARK PLUS PARTNERS, L.L.C.

By: Benchmark Plus Management, L.L.C.  
Managing Member

By: /s/ Robert Ferguson  
Name: Robert Ferguson  
Title: Managing Member

By: /s/ Scott Franzblau  
Name: Scott Franzblau  
Title: Managing Member

BENCHMARK PLUS INSTITUTIONAL PARTNERS, L.L.C.

By: Benchmark Plus Management, L.L.C.  
Managing Member

By: /s/ Robert Ferguson  
Name: Robert Ferguson  
Title: Managing Member

By: /s/ Scott Franzblau  
Name: Scott Franzblau  
Title: Managing Member

BENCHMARK PLUS MANAGEMENT, L.L.C.

By: /s/ Robert Ferguson  
Name: Robert Ferguson  
Title: Managing Member

By: /s/ Scott Franzblau  
Name: Scott Franzblau  
Title: Managing Member

/s/ Robert Ferguson  
ROBERT FERGUSON

/s/ Scott Franzblau  
SCOTT FRANZBLAU

CUSIP NO. 404053100

## SCHEDULE B

## Transactions in the Shares Since the Filing of Amendment No. 1 to the Schedule 13D

Date of Purchase	Shares of Common Stock Purchased	Price Per Share (\$)
WESTERN INVESTMENT HEDGED PARTNERS L.P.		
01/20/11	500	11.3550
01/20/11	11,600	11.3523
01/21/11	1,000	11.3075
WESTERN INVESTMENT ACTIVISM PARTNERS LLC		
01/20/11	8,500	11.3525
WESTERN INVESTMENT TOTAL RETURN FUND LTD.		
01/20/11	500	11.3550
01/20/11	11,500	11.3523
01/21/11	1,000	11.3075
WESTERN INVESTMENT TOTAL RETURN PARTNERS L.P.		
01/24/11	6,700	11.3140
01/24/11	28,142	11.3687
01/25/11	11,300	11.3889
01/26/11	3,200	11.5238
01/26/11	23,249	11.5056
01/31/11	7,100	11.2904
02/03/11	1,968	11.4585
02/10/11	9,200	11.5010
02/14/11	2,900	11.6559
02/15/11	1,510	11.6758
02/16/11	821	11.4835
02/17/11	5,000	11.4725
02/18/11	6,900	11.5055
02/18/11	37,678	11.5127
02/22/11	200	11.4175
02/23/11	2,300	11.2644
02/23/11	23,221	11.1760
BENCHMARK PLUS INSTITUTIONAL PARTNERS, L.L.C.		
02/24/11	4,300	11.1817
02/24/11	23,076	11.1675