

Edgar Filing: SDS CAPITAL GROUP SPC LTD - Form SC 13G

SDS CAPITAL GROUP SPC LTD  
Form SC 13G  
October 08, 2004

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

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OMB APPROVAL  
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OMB Number: 3235-0145  
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Expires: December 31, 2005  
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Estimated average burden  
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hours per response. . . 11  
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SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. )\*

SpectRx, Inc.

-----  
(Name of Issuer)

Common Stock, par value \$0.001 per share

-----  
(Title of Class of Securities)

847635109

-----  
(CUSIP Number)

October 6, 2004

-----  
(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)

\*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

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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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SCHEDULE 13G

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1 NAME OF REPORTING PERSONS./I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
(Entities Only).

SDS Capital Group SPC, Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)  [X]  
(See Instructions)

(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	833,340(1)
	6. SHARED VOTING POWER	0
	7. SOLE DISPOSITIVE POWER	833,340
	8. SHARED DISPOSITIVE POWER	0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

833,340

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

7.1%

12 TYPE OF REPORTING PERSON\*

CO

\*SEE INSTRUCTIONS BEFORE FILLING OUT

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(1) Includes 166,670 shares issuable upon the conversion of Series A Convertible Preferred Stock and 166,670 shares issuable upon the exercise of warrants issued in connection with a financing which closed on March 26, 2004.

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1 NAME OF REPORTING PERSONS./I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
(Entities Only).

SDS Management, LLC  
-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)  [X]  
(See Instructions)

(b)  [ ]  
-----

3 SEC USE ONLY  
-----

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware  
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NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5.	SOLE VOTING POWER	0
	6.	SHARED VOTING POWER	833,340
	7.	SOLE DISPOSITIVE POWER	0
	8.	SHARED DISPOSITIVE POWER	833,340

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9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

833,340  
-----

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

7.1%  
-----

12 TYPE OF REPORTING PERSON\*

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CO

-----  
\*SEE INSTRUCTIONS BEFORE FILLING OUT  
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1 NAME OF REPORTING PERSONS./I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
(Entities Only).

Mr. Steven Derby  
-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)  [X]  
(See Instructions) (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
	6. SHARED VOTING POWER	833,340
	7. SOLE DISPOSITIVE POWER	0
	8. SHARED DISPOSITIVE POWER	833,340

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9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

833,340  
-----

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

7.1%  
-----

12 TYPE OF REPORTING PERSON\*

IN  
-----

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\*SEE INSTRUCTIONS BEFORE FILLING OUT

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Item 1(a). Name of Issuer:

SpectRx, Inc.

Item 1(b). Address of Issuer's Principal Executive Offices:

4955 Avalon Ridge Pkwy., Suite 300  
Norcross, Georgia 30071

Item 2(a). Name of Person Filing.

Item 2(b). Address of Principal Business Office or, if None, Residence.

Item 2(c). Citizenship.

SDS Capital Group SPC, Ltd. (the "Reporting Person")  
RK Consulting (Cayman) Ltd.  
P.O. Box 174865  
Cayman Corporate Center  
27 Hospital Road  
Georgetown, Grand Cayman  
Cayman Islands  
Cayman Islands corporation

SDS Management, LLC (the "Investment Manager")  
53 Forest Avenue, 2nd Floor  
Old Greenwich, CT 06870  
Delaware limited liability company

Mr. Steven Derby ("Mr. Derby")  
Sole Managing Member of the Investment Manager  
53 Forest Avenue, 2nd Floor  
Old Greenwich, CT 06870  
United States citizen

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

Common Stock, par value \$0.001 per share

Item 2(e). CUSIP Number:

847635109

Item 3. If this statement is filed pursuant to ss.ss.240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

Not Applicable

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Item 4. Ownership.

The following is information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1 as of October 6, 2004:

1. The Reporting Person.

- (a) Amount beneficially owned: 833,340 shares of Common Stock (2)
- (b) Percent of Class: 7.1%
- (c) Number of shares as to which such person has:
  - (i) sole power to vote or direct the vote: 833,340
  - (ii) shared power to vote or direct the vote: 0
  - (iii) sole power to dispose or direct the disposition of: 833,340
  - (iv) shared power to dispose or direct the disposition of: 0
- (2) Includes 166,670 shares issuable upon the conversion of Series A Convertible Preferred Stock and 166,670 shares issuable upon the exercise of warrants issued in connection with a financing which closed on March 26, 2004.

2. The Investment Manager - same as Mr. Derby, see below.

3. Mr. Derby.

- (a) Amount beneficially owned: 833,340 shares of Common Stock
- (b) Percent of Class: 7.1%
- (c) Number of shares as to which such person has:
  - (i) sole power to vote or direct the vote: 0
  - (ii) shared power to vote or direct the vote: 833,340
  - (iii) sole power to dispose or direct the disposition of: 0
  - (iv) shared power to dispose or direct the disposition of: 833,340

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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 the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company.

Not Applicable

Item8. Identification and Classification of Members of the Group.

Not Applicable

Item9. Notice of Dissolution of Group.

Not Applicable

Item 10. Certification.

Certification pursuant to ss.240.13d-1(c):

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.

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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.

Dated: October 8, 2004

SDS CAPITAL GROUP SPC, LTD.  
By: SDS Management, LLC,  
its Investment Manager

By: /s/ Steven Derby  
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Name: Steven Derby  
Title: Managing Member

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SDS MANAGEMENT, LLC

By: /s/ Steven Derby

-----  
Name: Steven Derby  
Title: Managing Member

/s/ Steven Derby

-----  
Steven Derby

-----  
CUSIP No. 847635109

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EXHIBIT A  
JOINT FILING AGREEMENT

This Agreement is filed as an exhibit to this Schedule 13G being filed by SDS Capital Group SPC, Ltd., SDS Management, LLC and Mr. Steven Derby in compliance with Rule 13d-1(k) of the Securities and Exchange Commission, which requires an agreement in writing indicating that this Schedule 13G to which this Agreement is attached is filed on behalf of the below-named companies and individuals, that they are each responsible for the timely filing of the Schedule 13G and any amendments thereto and for the completeness and accuracy of the information concerning such persons contained therein.

Dated: October 8, 2004

SDS CAPITAL GROUP SPC, LTD.  
By: SDS Management, LLC,  
its Investment Manager

By: /s/ Steven Derby

-----  
Name: Steven Derby  
Title: Managing Member

SDS MANAGEMENT, LLC

By: /s/ Steven Derby

-----  
Name: Steven Derby  
Title: Managing Member

/s/ Steven Derby

-----  
Steven Derby