

Edgar Filing: FIVE STAR QUALITY CARE INC - Form SC 13G

FIVE STAR QUALITY CARE INC  
Form SC 13G  
July 27, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 2054  
-----

SCHEDULE 13G

Under the Securities Exchange Act of 1934

Five Star Quality Care, Inc.  
(Name of Issuer)

Common Stock, par value \$0.01 per share  
(Title of Class of Securities)

33832D106  
(CUSIP Number)

July 19, 2007  
(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 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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- (1) NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS

Highbridge International LLC

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-----  
(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*\*  
(a)  [X]  
(b)  [ ]  
-----  
(3) SEC USE ONLY  
-----  
(4) CITIZENSHIP OR PLACE OF ORGANIZATION  
Cayman Islands, British West Indies  
-----  
NUMBER OF (5) SOLE VOTING POWER  
SHARES 0  
-----  
BENEFICIALLY (6) SHARED VOTING POWER  
OWNED BY \$19,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 1,461,538  
shares of Common Stock  
-----  
EACH (7) SOLE DISPOSITIVE POWER  
REPORTING 0  
-----  
PERSON WITH (8) SHARED DISPOSITIVE POWER  
\$19,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 1,461,538  
shares of Common Stock  
-----  
(9) AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON  
\$19,000,000 principal amount of 3.75% Convertible Senior  
Notes due 2026, convertible into 1,461,538 shares of Common  
Stock  
-----  
(10) CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (9) EXCLUDES CERTAIN SHARES \*\*  
[ ]  
-----  
(11) PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (9)  
4.61%  
-----  
(12) TYPE OF REPORTING PERSON \*\*  
OO  
-----

\*\* SEE INSTRUCTIONS BEFORE FILLING OUT!

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-----  
(1) NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
Highbridge Convertible Arbitrage Master Fund, L.P.  
-----  
(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*\*

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(a) [X]  
(b) [ ]

-----  
(3) SEC USE ONLY  
-----

(4) CITIZENSHIP OR PLACE OF ORGANIZATION  
  
Cayman Islands, British West Indies  
-----

NUMBER OF (5) SOLE VOTING POWER  
SHARES 0  
-----

BENEFICIALLY (6) SHARED VOTING POWER  
OWNED BY \$1,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 76,923  
shares of Common Stock  
-----

EACH (7) SOLE DISPOSITIVE POWER  
REPORTING 0  
-----

PERSON WITH (8) SHARED DISPOSITIVE POWER  
\$1,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 76,923  
shares of Common Stock  
-----

(9) AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON  
\$1,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 76,923  
shares of Common Stock  
-----

(10) CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (9) EXCLUDES CERTAIN SHARES \*\*  
[ ]  
-----

(11) PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (9)  
0.24%  
-----

(12) TYPE OF REPORTING PERSON \*\*  
PN  
-----

\*\* SEE INSTRUCTIONS BEFORE FILLING OUT!

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-----  
(1) NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
  
Highbridge Statistical Opportunities Master Fund, L.P.  
-----

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

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(3) SEC USE ONLY  
-----  
(4) CITIZENSHIP OR PLACE OF ORGANIZATION  
Cayman Islands, British West Indies  
-----  
NUMBER OF (5) SOLE VOTING POWER  
SHARES 0  
-----  
BENEFICIALLY (6) SHARED VOTING POWER  
OWNED BY 127,295 shares of Common Stock  
-----  
EACH (7) SOLE DISPOSITIVE POWER  
REPORTING 0  
-----  
PERSON WITH (8) SHARED DISPOSITIVE POWER  
127,295 shares of Common Stock  
-----  
(9) AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON  
127,295 shares of Common Stock  
-----  
(10) CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (9) EXCLUDES CERTAIN SHARES \*\* [ ]  
-----  
(11) PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (9)  
0.40%  
-----  
(12) TYPE OF REPORTING PERSON \*\*  
PN  
-----

\*\* SEE INSTRUCTIONS BEFORE FILLING OUT!

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-----  
(1) NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
Highbridge Capital Management, LLC 20-1901985  
-----  
(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*\*  
(a) [X]  
(b) [ ]  
-----  
(3) SEC USE ONLY  
-----  
(4) CITIZENSHIP OR PLACE OF ORGANIZATION  
State of Delaware  
-----  
NUMBER OF (5) SOLE VOTING POWER  
0

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SHARES -----

BENEFICIALLY (6) SHARED VOTING POWER  
127,295 shares of Common Stock

\$20,000,000 principal amount of 3.75% Convertible Senior Notes due 2026, convertible into 1,538,462 shares of Common Stock

OWNED BY -----

EACH (7) SOLE DISPOSITIVE POWER  
0

REPORTING -----

PERSON WITH (8) SHARED DISPOSITIVE POWER  
127,295 shares of Common Stock

\$20,000,000 principal amount of 3.75% Convertible Senior Notes due 2026, convertible into 1,538,462 shares of Common Stock

-----

(9) AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON  
127,295 shares of Common Stock

\$20,000,000 principal amount of 3.75% Convertible Senior Notes due 2026, convertible into 1,538,462 shares of Common Stock

-----

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

[ ]

-----

(11) PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (9)  
5.26%

-----

(12) TYPE OF REPORTING PERSON \*\*  
OO

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\*\* SEE INSTRUCTIONS BEFORE FILLING OUT!

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(1) NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS

Glenn Dubin

-----

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

(a) [X]  
(b) [ ]

-----

(3) SEC USE ONLY

-----

(4) CITIZENSHIP OR PLACE OF ORGANIZATION

United States

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-----  
NUMBER OF (5) SOLE VOTING POWER  
0  
SHARES -----

BENEFICIALLY (6) SHARED VOTING POWER  
127,295 shares of Common Stock  
  
\$20,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 1,538,462  
shares of Common Stock  
OWNED BY -----

EACH (7) SOLE DISPOSITIVE POWER  
0  
REPORTING -----

PERSON WITH (8) SHARED DISPOSITIVE POWER  
127,295 shares of Common Stock  
  
\$20,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 1,538,462  
shares of Common Stock  
-----

(9) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
127,295 shares of Common Stock  
  
\$20,000,000 principal amount of 3.75% Convertible Senior  
Notes due 2026, convertible into 1,538,462 shares of Common  
Stock  
-----

(10) CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (9) EXCLUDES CERTAIN SHARES \*\*  
  
[ ]  
-----

(11) PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (9)  
5.26%  
-----

(12) TYPE OF REPORTING PERSON \*\*  
IN  
-----

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-----  
(1) NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
  
Henry Swieca  
-----

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

(3) SEC USE ONLY  
-----

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(4) CITIZENSHIP OR PLACE OF ORGANIZATION

United States

-----  
NUMBER OF (5) SOLE VOTING POWER  
0  
SHARES -----

BENEFICIALLY (6) SHARED VOTING POWER  
127,295 shares of Common Stock  
  
\$20,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 1,538,462  
shares of Common Stock

OWNED BY -----  
EACH (7) SOLE DISPOSITIVE POWER  
0  
REPORTING -----

PERSON WITH (8) SHARED DISPOSITIVE POWER  
127,295 shares of Common Stock  
  
\$20,000,000 principal amount of 3.75% Convertible  
Senior Notes due 2026, convertible into 1,538,462  
shares of Common Stock

-----  
(9) AGGREGATE AMOUNT BENEFICIALLY OWNED  
BY EACH REPORTING PERSON  
127,295 shares of Common Stock  
  
\$20,000,000 principal amount of 3.75% Convertible Senior  
Notes due 2026, convertible into 1,538,462 shares of Common  
Stock

-----  
(10) CHECK BOX IF THE AGGREGATE AMOUNT  
IN ROW (9) EXCLUDES CERTAIN SHARES \*\*  
  
[ ]

-----  
(11) PERCENT OF CLASS REPRESENTED  
BY AMOUNT IN ROW (9)  
5.26%

-----  
(12) TYPE OF REPORTING PERSON \*\*  
IN  
-----

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Item 1.

(a) Name of Issuer

Five Star Quality Care, Inc. (the "Company").

(b) Address of Issuer's Principal Executive Offices  
400 Centre Street

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Newton, Massachusetts 02458

- Item 2(a). Name of Person Filing
- Item 2(b). Address of Principal Business Office
- Item 2(c). Citizenship

HIGHBRIDGE INTERNATIONAL LLC  
c/o Harmonic Fund Services  
The Cayman Corporate Centre, 4th Floor  
27 Hospital Road  
Grand Cayman, Cayman Islands, British West Indies  
Citizenship: Cayman Islands, British West Indies

HIGHBRIDGE CONVERTIBLE ARBITRAGE MASTER FUND, L.P.  
c/o Harmonic Fund Services  
The Cayman Corporate Centre, 4th Floor  
27 Hospital Road  
Grand Cayman, Cayman Islands, British West Indies  
Citizenship: Cayman Islands, British West Indies

HIGHBRIDGE STATISTICAL OPPORTUNITIES MASTER FUND, L.P.  
c/o Harmonic Fund Services  
The Cayman Corporate Centre, 4th Floor  
27 Hospital Road  
Grand Cayman, Cayman Islands, British West Indies  
Citizenship: Cayman Islands, British West Indies

HIGHBRIDGE CAPITAL MANAGEMENT, LLC IRS #: 20-1901985  
9 West 57th Street, 27th Floor  
New York, New York 10019  
Citizenship: State of Delaware

GLENN DUBIN  
c/o Highbridge Capital Management, LLC  
9 West 57th Street, 27th Floor  
New York, New York 10019  
Citizenship: United States

HENRY SWIECA  
c/o Highbridge Capital Management, LLC  
9 West 57th Street, 27th Floor  
New York, New York 10019  
Citizenship: United States

- Item 2(d) Title of Class of Securities

Common Stock, \$0.01 par value ("Common Stock")

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- Item 2(e) CUSIP Number

33832D106

- Item 3. If this statement is filed pursuant to Rules 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a:



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- (a)  Broker or dealer registered under Section 15 of the Act (15 U.S.C. 78o).
- (b)  Bank as defined in Section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c)  Insurance company as defined in Section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d)  Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
- (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 (12 U.S.C. 1813);
- (i)  A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j)  Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

If this statement is filed pursuant to Rule 13d-1(c), check this box.

Item 4. Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

As of the date of this filing, (i) Highbridge International LLC is the beneficial owner of \$19,000,000 principal amount of 3.75% Convertible Senior Notes due 2026, convertible into 1,461,538 shares of Common Stock, (ii) Highbridge Convertible Arbitrage Master Fund, L.P. is the beneficial owner of \$1,000,000 principal amount of 3.75% Convertible Senior Notes due 2026, convertible into 76,923 shares of Common Stock, (iii) Highbridge Statistical Opportunities Master Fund, L.P. is the beneficial owner of 127,295 shares of Common Stock and (iv) each of Highbridge Capital Management, LLC, Glenn Dubin and Henry Swieca may be deemed the beneficial owner of the \$20,000,000 principal amount of 3.75% Convertible Senior Notes due 2026, convertible into 1,538,462 shares of Common Stock held by Highbridge International LLC and Highbridge Convertible Arbitrage Master Fund, L.P. and the 127,295 shares of Common Stock held by Highbridge Statistical Opportunities Master Fund, L.P.

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Highbridge Capital Management, LLC is the trading manager of Highbridge International LLC, Highbridge Convertible Arbitrage Master Fund, L.P. and Highbridge Statistical Opportunities Master Fund, L.P. Glenn Dubin is a Co-Chief Executive Officer of Highbridge Capital Management, LLC. Henry Swieca is a Co-Chief Executive Officer of Highbridge Capital Management, LLC. The foregoing should not be construed in and of itself as an admission by any Reporting Person as to beneficial ownership of shares of Common Stock owned by

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another Reporting Person. In addition, each of Highbridge Capital Management, LLC, Glenn Dubin and Henry Swieca disclaims beneficial ownership of shares of Common Stock held by Highbridge International LLC, Highbridge Convertible Arbitrage Master Fund, L.P. and Highbridge Statistical Opportunities Master Fund, L.P.

(b) Percent of class:

The Company's Quaterly Report filed on Form 10-Q on May 10, 2007, indicates that as of May 10, 2007, there were 31,684,134 shares of Common Stock outstanding. Therefore, based on the Company's outstanding shares of Common Stock and assuming the conversion of the 3.75% Convertible Senior Notes due 2026, (i) Highbridge International LLC may be deemed to beneficially own 4.61% of the outstanding shares of Common Stock of the Company, (ii) Highbridge Convertible Arbitrage Master Fund, L.P. may be deemed to beneficially own 0.24% of the outstanding shares of Common Stock of the Company, (iii) Highbridge Statistical Opportunities Master Fund, L.P. may be deemed to beneficially own 0.40% of the outstanding shares of Common Stock of the Company and (iv) each of Highbridge Capital Management, LLC, Glenn Dubin and Henry Swieca may be deemed to beneficially own 5.26% of the outstanding shares of Common Stock of the Company. The foregoing should not be construed in and of itself as an admission by any Reporting Person as to beneficial ownership of shares of Common Stock owned by another Reporting Person.

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

(i) Sole power to vote or to direct the vote

0

(ii) Shared power to vote or to direct the vote

See Item 4(a)

(iii) Sole power to dispose or to direct the disposition of

0

(iv) Shared power to dispose or to direct the disposition of

See Item 4(a)

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.

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

Not applicable.

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Item 8. Identification and Classification of Members of the Group

See Exhibit I.

Item 9. Notice of Dissolution of Group

Not applicable.

Item 10. Certification

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.

Exhibits:

Exhibit I: Joint Filing Agreement, dated as of July 27, 2007, by and among Highbridge International LLC, Highbridge Convertible Arbitrage Master Fund, L.P., Highbridge Statistical Opportunities Master Fund, L.P., Highbridge Capital Management, LLC, Glenn Dubin and Henry Swieca.

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SIGNATURES

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

Dated: July 27, 2007

HIGHBRIDGE CAPITAL MANAGEMENT, LLC

HIGHBRIDGE INTERNATIONAL LLC

By: Highbridge Capital Management, LLC  
its Trading Manager

By: /s/ Carolyn Rubin

By: /s/ Carolyn Rubin

-----  
Name: Carolyn Rubin  
Title: Managing Director

-----  
Name: Carolyn Rubin  
Title: Managing Director

HIGHBRIDGE CONVERTIBLE ARBITRAGE  
MASTER FUND, L.P.

HIGHBRIDGE STATISTICAL OPPORTUNITIES  
MASTER FUND, L.P.

By: Highbridge Capital Management, LLC  
its Trading Manager

By: Highbridge Capital Management, LLC  
its Trading Manager

By: /s/ Carolyn Rubin

By: /s/ Carolyn Rubin

-----  
Name: Carolyn Rubin  
Title: Managing Director

-----  
Name: Carolyn Rubin  
Title: Managing Director

/s/ Glenn Dubin

/s/ Henry Swieca

-----  
GLENN DUBIN

-----  
HENRY SWIECA

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EXHIBIT I

JOINT FILING AGREEMENT

This will confirm the agreement by and among the undersigned that the Schedule 13G filed with the Securities and Exchange Commission on or about the date hereof with respect to the beneficial ownership by the undersigned of the shares of Common Stock, \$0.01 par value, of Five Star Quality Care, Inc., is being filed, and all amendments thereto will be filed, on behalf of each of the persons and entities named below in accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Dated as of July 27, 2007

HIGHBRIDGE CAPITAL MANAGEMENT, LLC

HIGHBRIDGE INTERNATIONAL LLC

By: Highbridge Capital Management, LLC  
its Trading Manager

By: /s/ Carolyn Rubin

-----

Name: Carolyn Rubin  
Title: Managing Director

By: /s/ Carolyn Rubin

-----

Name: Carolyn Rubin  
Title: Managing Director

HIGHBRIDGE CONVERTIBLE ARBITRAGE  
MASTER FUND, L.P.

By: Highbridge Capital Management, LLC  
its Trading Manager

HIGHBRIDGE STATISTICAL OPPORTUNITIES  
MASTER FUND, L.P.

By: Highbridge Capital Management, LLC  
its Trading Manager

By: /s/ Carolyn Rubin

-----

Name: Carolyn Rubin  
Title: Managing Director

By: /s/ Carolyn Rubin

-----

Name: Carolyn Rubin  
Title: Managing Director

/s/ Glenn Dubin

-----

GLENN DUBIN

/s/ Henry Swieca

-----

HENRY SWIECA