

CAL DIVE INTERNATIONAL INC

Form 424B3

January 06, 2006

PROSPECTUS SUPPLEMENT NO. 2
(TO PROSPECTUS DATED NOVEMBER 7, 2005)

FILED PURSUANT TO RULE 424(b)(3) and (c)
FILE NO. 333-125276

\$300,000,000

3.25% Convertible Senior Notes due 2025

This prospectus supplement relates to the resale by the holders of the 3.25% Convertible Senior Notes due 2025 of Cal Dive International, Inc. and the shares of common stock issuable upon conversion of the notes.

This prospectus supplement supplements and should be read in conjunction with the prospectus dated November 7, 2005 and supersedes the prospectus supplement dated December 16, 2005. This prospectus supplement is not complete without, and may not be delivered or utilized except in connection with, the prospectus, including all amendments and supplements thereto which have not been otherwise superseded. The terms of the notes are set forth in the prospectus.

The information in the prospectus appearing in the table under the heading "Selling Security Holders" is hereby modified and restated as set forth in the table below. The information below was furnished to us by the selling security holders listed below on or before December 19, 2005.

| Selling Security Holder | Amount of Notes Beneficially Owned (\$) | Percentage of Notes Beneficially Owned | Amount of Notes To Be Sold (\$) (1) | Number of Shares of Common Stock Beneficially Owned (2)(3) | Number of Shares of Common Stock That May Be Sold (1)(3) | Number of Shares of Common Stock Upon Completion of Offering (1) |
|--|--|---|--|---|---|---|
| 1976 Distribution Trust FBO A.R. | 4,000 | * | 4,000 | 124 | 124 | 0 |
| 2000 Revocable Trust FBO Lauder/Zinter Hofer | 4,000 | * | 4,000 | 124 | 124 | 0 |
| Advent Convertible Master (Cayman) | 7,904,000 | 2.63 | 7,904,000 | 245,972 | 245,972 | 0 |
| Alcon Laboratories(4) | 274,000 | * | 274,000 | 8,526 | 8,526 | 0 |
| Aloha Airlines Non-Pilots Pension Trust | 35,000 | * | 35,000 | 1,089 | 1,089 | 0 |
| Aloha Pilots Retirement Trust | 20,000 | * | 20,000 | 622 | 622 | 0 |
| Argent Classic Convertible Arbitrage Fund L.P. | 190,000 | * | 190,000 | 5,912 | 5,912 | 0 |
| Argent Classic Convertible Arbitrage Fund II, L.P. | 110,000 | * | 110,000 | 3,423 | 3,423 | 0 |
| Argent Classic Convertible Arbitrage Fund (Bermuda) Ltd. | 1,590,000 | * | 1,590,000 | 49,480 | 49,480 | 0 |

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| | Amount of | Percentage | | Number of | Number of | Number of |
|--|--------------|--------------|--------------|--------------|-----------|------------|
| | Notes | of | Amount of | Shares of | Shares of | Shares of |
| | Beneficially | Notes | Notes To | Common | Common | Common |
| | Owned (\$) | Beneficially | Be Sold (\$) | Stock | Stock | Stock |
| | | Owned | (1) | Beneficially | That | Upon |
| Selling Security Holder | | | | Owned | May Be | Completion |
| | | | | (2)(3) | Sold | of |
| | | | | | (1)(3) | Offering |
| | | | | | | (1) |
| Argent LowLev Convertible Arbitrage Fund, LLC | 260,000 | * | 260,000 | 8,091 | 8,091 | 0 |
| Argent LowLev Convertible Arbitrage Fund II, LLC | 30,000 | * | 30,000 | 933 | 933 | 0 |
| Argent LowLev Convertible Arbitrage Fund Ltd. | 2,290,000 | * | 2,290,000 | 71,264 | 71,264 | 0 |
| Arlington County Employees Retirement System(4) | 578,000 | * | 578,000 | 17,987 | 17,987 | 0 |
| Aristeia International Limited | 11,760,000 | 3.92 | 11,760,000 | 365,971 | 365,971 | 0 |
| Aristeia Partners LP | 2,240,000 | * | 2,240,000 | 69,708 | 69,708 | 0 |
| Arkansas PERS | 680,000 | * | 680,000 | 21,161 | 21,161 | 0 |
| Asante Health Systems(4) | 90,000 | * | 90,000 | 2,800 | 2,800 | 0 |
| Astrazeneca Holdings Pension | 200,000 | * | 200,000 | 6,224 | 6,224 | 0 |
| Black Diamond Offshore Ltd. | 923,000 | * | 923,000 | 28,723 | 28,723 | 0 |
| Boilermakers Blacksmith Pension Trust | 900,000 | * | 900,000 | 28,008 | 28,008 | 0 |
| British Virgin Islands Social Security Board(4) | 80,000 | * | 80,000 | 2,489 | 2,489 | 0 |
| C&H Sugar Company, Inc. | 45,000 | * | 45,000 | 1,400 | 1,400 | 0 |
| CIBC World Markets(5) | 500,000 | * | 500,000 | 15,560 | 15,560 | 0 |
| CNH CA Master Account, L.P. | 24,000,000 | 8.00 | 24,000,000 | 746,880 | 746,880 | 0 |
| CALAMOS® Convertible and High Income Fund | 9,000,000 | 3.00 | 9,000,000 | 280,080 | 280,080 | 0 |
| CALAMOS® Convertible Opportunities and Income Fund | 7,500,000 | 2.50 | 7,500,000 | 233,400 | 233,400 | 0 |
| CALAMOS® Global Growth & Income Fund | | | | | | |
| CALAMOS® Investment Trust | 1,600,000 | * | 1,600,000 | 49,792 | 49,792 | 0 |

| | | | | | | |
|--|------------|------|------------|---------|---------|---|
| CALAMOS® Growth & Income Fund CALAMOS® Investment Trust | 24,235,000 | 8.08 | 24,235,000 | 754,193 | 754,193 | 0 |
| CALAMOS® Growth & Income Portfolio CALAMOS® Advisors Trust | 165,000 | * | 165,000 | 5,134 | 5,134 | 0 |
| CALAMOS® High Yield Fund CALAMOS® Investment Trust | 3,000,000 | 1.00 | 3,000,000 | 93,360 | 93,360 | 0 |

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| | Amount of | Percentage | | Number of | Number of | Number of |
|--------------------------------|--------------|--------------|--------------|--------------|-----------|------------|
| | Notes | of | Amount of | Shares of | Shares of | Shares of |
| | Beneficially | Notes | Notes To | Common | Common | Common |
| | Owned (\$) | Beneficially | Be Sold (\$) | Stock | Stock | Stock |
| | | Owned | (1) | Beneficially | That | Upon |
| | | | | Owned | May Be | Completion |
| | | | | (2)(3) | Sold | of |
| | | | | | (1)(3) | Offering |
| | | | | | | (1) |
| Selling Security Holder | | | | | | |
| Calamos® Strategic Total | | | | | | |
| Return Fund | 10,500,000 | 3.50 | 10,500,000 | 326,760 | 326,760 | 0 |
| CBARB, a segregated | | | | | | |
| account of Geode Capital | | | | | | |
| Master Fund, Ltd. | 2,000,000 | * | 2,000,000 | 62,240 | 62,240 | 0 |
| Chrysler Corporation Master | | | | | | |
| Retirement Trust(4) | 1,870,000 | * | 1,870,000 | 58,194 | 58,194 | 0 |
| Citadel Equity Fund Ltd.(4) | 27,750,000 | 9.25 | 27,750,000 | 863,580 | 863,580 | 0 |
| City and County of San | | | | | | |
| Francisco Retirement | | | | | | |
| System | 966,000 | * | 966,000 | 30,061 | 30,061 | 0 |
| City University of New | | | | | | |
| York(4) | 91,000 | * | 91,000 | 2,831 | 2,831 | 0 |
| Class C Trading Company, | | | | | | |
| Ltd. | 210,000 | * | 210,000 | 6,535 | 6,535 | 0 |
| Credit Suisse First Boston | | | | | | |
| LLC(5) | 1,000,000 | * | 1,000,000 | 31,120 | 31,120 | 0 |
| Delaware PERS | 390,000 | * | 390,000 | 12,136 | 12,136 | 0 |
| Delaware Public Employees | | | | | | |
| Retirement System(4) | 786,000 | * | 786,000 | 24,460 | 24,460 | 0 |
| Delta Airlines Master Trust | 195,000 | * | 195,000 | 6,068 | 6,068 | 0 |
| Delta Air Lines Master Trust | | | | | | |
| CV(4) | 320,000 | * | 320,000 | 9,958 | 9,958 | 0 |
| Delta Pilots Disability & | | | | | | |
| Survivorship Trust CV(4) | 185,000 | * | 185,000 | 5,757 | 5,757 | 0 |
| Deutsche Bank Securities | | | | | | |
| Inc.(5) | 45,000 | * | 45,000 | 1,400 | 1,400 | 0 |
| Double Black Diamond | | | | | | |
| Offshore LDC | 5,441,000 | 1.81 | 5,441,000 | 169,323 | 169,323 | 0 |
| Drawbridge Global Macro | | | | | | |
| Master Fund Ltd. | 3,000,000 | 1.00 | 3,000,000 | 93,360 | 93,360 | 0 |
| Duke Endowment | 180,000 | * | 180,000 | 5,601 | 5,601 | 0 |
| F.M. Kirby Foundation, | | | | | | |
| Inc.(4) | 275,000 | * | 275,000 | 8,558 | 8,558 | 0 |
| | 100,000 | * | 100,000 | 3,112 | 3,112 | 0 |

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| | | | | | | |
|---|-----------|------|-----------|---------|---------|---|
| Family Service Life Insurance Co.(4) | | | | | | |
| Frontpoint Convertible Arbitrage Fund, LP | 3,500,000 | 1.17 | 3,500,000 | 108,920 | 108,920 | 0 |
| Grady Hospital(4) | 85,000 | * | 85,000 | 2,645 | 2,645 | 0 |
| Guardian Life Insurance Co.(4) | 7,000,000 | 2.33 | 7,000,000 | 217,840 | 217,840 | 0 |
| Guardian Pension Trust(4) | 400,000 | * | 400,000 | 12,448 | 12,448 | 0 |
| HFRCA Global Select Master Trust Account | 190,000 | * | 190,000 | 5,912 | 5,912 | 0 |
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| | Amount of | Percentage | Amount of | Number of | Number of | Number of |
|---|--------------|--------------|--------------|--------------|-----------|------------|
| | Notes | of | Notes | Shares of | Shares of | Shares of |
| | Beneficially | Beneficially | Notes To | Common | Common | Common |
| | Owned (\$) | Owned | Be Sold (\$) | Stock | Stock | Stock |
| | | | (1) | Beneficially | That | Upon |
| | | | | Owned | May Be | Completion |
| | | | | (2)(3) | Sold | of |
| | | | | | (1)(3) | Offering |
| | | | | | | (1) |
| Selling Security Holder | | | | | | |
| HFR CA Opportunity Mst. Trst(4) | 454,000 | * | 454,000 | 14,128 | 14,128 | 0 |
| HSBC Investments (USA) Inc. for the HSBC Multi-Strategy Arbitrage Fund(4) | 1,000,000 | * | 1,000,000 | 31,120 | 31,120 | 0 |
| Hallmark Convertible Securities Fund | 40,000 | * | 40,000 | 1,244 | 1,244 | 0 |
| Hawaiian Airlines Employees Pension Plan IAM | 10,000 | * | 10,000 | 311 | 311 | 0 |
| Hawaiian Airlines Pilots Retirement Plan | 35,000 | * | 35,000 | 1,089 | 1,089 | 0 |
| ICI American Holdings Trust | 145,000 | * | 145,000 | 4,512 | 4,512 | 0 |
| Independence Blue Cross(4) | 480,000 | * | 480,000 | 14,937 | 14,937 | 0 |
| Inflective Convertible Opportunity Fund I, L.P. | 1,045,000 | * | 1,045,000 | 32,520 | 32,520 | 0 |
| Inflective Convertible Opportunity Fund I, LTD. | 3,500,000 | 1.17 | 3,500,000 | 108,920 | 108,920 | 0 |
| International Truck & Engine Corporation Non-Contributory Retirement Plan Trust(4) | 165,000 | * | 165,000 | 5,134 | 5,134 | 0 |
| International Truck & Engine Corporation Retiree Health Benefit Trust(4) | 85,000 | * | 85,000 | 2,645 | 2,645 | 0 |
| International Truck & Engine Corporation Retirement Plan for Salaried Employees Trust(4) | 90,000 | * | 90,000 | 2,800 | 2,800 | 0 |
| J.P. Morgan Securities Inc.(5) | 1,500,000 | * | 1,500,000 | 46,736 | 46,680 | 56 |
| Lyxor Convertible Arbitrage Fund(4) | 642,000 | * | 642,000 | 19,979 | 19,979 | 0 |

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|---|-----------|---|-----------|--------|--------|---|
| Lyxor/Inflective Convertible Opportunity Fund Limited | 1,003,000 | * | 1,003,000 | 31,213 | 31,213 | 0 |
| Lyxor/Quest Fund Ltd. | 2,000,000 | * | 2,000,000 | 62,240 | 62,240 | 0 |
| Merrill Lynch Insurance Group | 274,000 | * | 274,000 | 8,526 | 8,526 | 0 |
| Microsoft Corporation(4) | 275,000 | * | 275,000 | 8,558 | 8,558 | 0 |
| Municipal Employees | 133,000 | * | 133,000 | 4,138 | 4,138 | 0 |

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| | Amount of | Percentage of | Amount of | Number of Shares of Common Stock | Number of Shares of Common Stock | Number of Shares of Common Stock |
|---|-------------------------|--------------------|-----------------------|----------------------------------|----------------------------------|----------------------------------|
| Selling Security Holder | Notes | Notes | Notes To Be Sold (\$) | Common Stock | Common Stock That May Be Sold | Completion of Offering |
| | Beneficially Owned (\$) | Beneficially Owned | (1) | Beneficially Owned (2)(3) | (1)(3) | (1) |
| Municipal Employees Benefit Trust | 189,000 | * | 189,000 | 5,881 | 5,881 | 0 |
| New Orleans Firefighters Pension/Relief Fund | 53,000 | * | 53,000 | 1,649 | 1,649 | 0 |
| Nuveen Preferred and Convertible Fund JQC | 3,495,000 | 1.17 | 3,495,000 | 108,764 | 108,764 | 0 |
| Nuveen Preferred and Convertible Income Fund JPC | 2,600,000 | * | 2,600,000 | 80,912 | 80,912 | 0 |
| OCLC Online Computer Library Center Inc. | 20,000 | * | 20,000 | 622 | 622 | 0 |
| OCM Convertible Trust(4) | 525,000 | * | 525,000 | 16,338 | 16,338 | 0 |
| OCM Global Convertible Securities Fund(4) | 80,000 | * | 80,000 | 2,489 | 2,489 | 0 |
| Occidental Petroleum Corporation | 196,000 | * | 196,000 | 6,099 | 6,099 | 0 |
| Ohio Bureau of Workers Compensation | 110,000 | * | 110,000 | 3,423 | 3,423 | 0 |
| Partner Reinsurance Company Ltd.(4) | 320,000 | * | 320,000 | 9,958 | 9,958 | 0 |
| Policeman and Firemen Retirement System of the City of Detroit(4) | 340,000 | * | 340,000 | 10,580 | 10,580 | 0 |
| Pro-Mutual | 570,000 | * | 570,000 | 17,738 | 17,738 | 0 |
| Putnam Convertible Income-Growth Trust(4) | 6,000,000 | 2.00 | 6,000,000 | 186,720 | 186,720 | 0 |
| Quest Global Convertible Master Fund Ltd. | 500,000 | * | 500,000 | 15,560 | 15,560 | 0 |
| Qwest Occupational Health Trust(4) | 105,000 | * | 105,000 | 3,267 | 3,267 | 0 |
| Qwest Pension Trust(4) | 280,000 | * | 280,000 | 8,713 | 8,713 | 0 |
| RBC Capital Markets(5) | 2,500,000 | * | 2,500,000 | 77,800 | 77,800 | 0 |
| RCG Baldwin LP(4) | 750,000 | * | 750,000 | 23,340 | 23,340 | 0 |
| RCG Halifax Master Fund, LTD(4) | 750,000 | * | 750,000 | 23,340 | 23,340 | 0 |

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|---|-----------|---|-----------|--------|--------|---|
| RCG Latitude Master Fund, LTD(4) | 2,750,000 | * | 2,750,000 | 85,580 | 85,580 | 0 |
| RCG Multi Strategy Master Fund, LTD(4) | 1,000,000 | * | 1,000,000 | 31,120 | 31,120 | 0 |
| Ramius Capital Group(4) | 1,000,000 | * | 1,000,000 | 31,120 | 31,120 | 0 |
| Ramius Master Fund LTD(4) | 2,750,000 | * | 2,750,000 | 85,580 | 85,580 | 0 |

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| Selling Security Holder | Amount of Notes Beneficially Owned (\$) | Percentage of Notes Beneficially Owned | Amount of Notes To Be Sold (\$) | Number of Shares of Common Stock Beneficially Owned (2)(3) | Number of Shares of Common Stock That May Be Sold (1)(3) | Number of Shares of Common Stock Upon Completion of Offering (1) |
|---|--|---|--|---|---|---|
| Sage Capital Management, LLC | 500,000 | * | 500,000 | 15,560 | 15,560 | 0 |
| Silver Convertible Arbitrage Fund, LDC | 250,000 | * | 250,000 | 7,780 | 7,780 | 0 |
| Silverback Conv Arb Master | 10,000,000 | 3.33 | 10,000,000 | 311,200 | 311,200 | 0 |
| State Employees Retirement Fund of the State of Delaware(4) | 450,000 | * | 450,000 | 14,004 | 14,004 | 0 |
| State of Oregon Equity | 1,925,000 | * | 1,925,000 | 59,906 | 59,906 | 0 |
| Susquehanna Capital Group(5) | 3,000,000 | 1.00 | 3,000,000 | 93,360 | 93,360 | 0 |
| Syngenta AG | 135,000 | * | 135,000 | 4,201 | 4,201 | 0 |
| TCW Group Inc. | 4,730,000 | 1.58 | 4,730,000 | 147,197 | 147,197 | 0 |
| The Grable Foundation(4) | 54,000 | * | 54,000 | 1,680 | 1,680 | 0 |
| The St. Paul Travelers Companies, Inc. | | | | | | |
| Commercial Lines(4) | 600,000 | * | 600,000 | 18,672 | 18,672 | 0 |
| Trustmark Insurance | 220,000 | * | 220,000 | 6,846 | 6,846 | 0 |
| UBS O Connor LLC F/B/O O Connor Global | | | | | | |
| Convertible Arbitrage Master Limited | 8,000,000 | 2.67 | 8,000,000 | 248,960 | 248,960 | 0 |
| UBS O Connor LLC F/B/O O Connor Global Arbitrage | | | | | | |
| II Master Limited | 3,000,000 | 1.00 | 3,000,000 | 93,360 | 93,360 | 0 |
| UBS Securities LLC(5) | 7,510,000 | 2.50 | 7,510,000 | 233,711 | 233,711 | 0 |
| UnumProvident Corporation(4) | 175,000 | * | 175,000 | 5,446 | 5,446 | 0 |
| Vicis Capital Master Fund | 12,000,000 | 4.00 | 12,000,000 | 373,440 | 373,440 | 0 |
| Virginia Retirement System(4) | 940,000 | * | 940,000 | 29,252 | 29,252 | 0 |
| Waterstone Market Neutral MAC51, Ltd. | 2,390,000 | * | 2,390,000 | 74,376 | 74,376 | 0 |
| Waterstone Market Neutral Master Fund, Ltd. | 9,312,000 | 3.10 | 9,312,000 | 289,789 | 289,789 | 0 |

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|---------------------------------------|-------------|------|-------------|------------|------------|----|
| Xavex Convertible Arbitrage 2 Fund | 70,000 | * | 70,000 | 2,178 | 2,178 | 0 |
| Xavex Convertible Arbitrage 5 Fund | 1,000,000 | * | 1,000,000 | 31,120 | 31,120 | 0 |
| Xavex Convertible Arbitrage 10 Fund | 100,000 | * | 100,000 | 3,112 | 3,112 | 0 |
| Unidentified Selling Security Holders | 27,194,000 | 9.06 | 27,194,000 | 846,314(6) | 846,314(6) | 0 |
| Total | 300,000,000 | 100 | 300,000,000 | 9,335,944 | 9,336,000 | 56 |

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* Less than 1%

- (1) Because a selling security holder may sell all or a portion of the notes and common stock issuable upon conversion of the notes pursuant to this prospectus, an estimate can not be given as to the number or percentage of notes and common stock that the selling security holder will hold upon termination of any sales. The information presented assumes that all of the selling security holders will fully convert the notes for cash and shares of our common stock and that the selling security holders will sell all shares of our common stock that they received pursuant to such conversion.
- (2) Includes shares of common stock issuable upon conversion of the notes.
- (3) The number of shares of our common stock issuable upon conversion of the notes is calculated assuming (i) that the notes are worth \$600,000,000 at the time of conversion, with the \$300,000,000 principal amount paid in cash and the remaining \$300,000,000 paid in shares of our common stock and (ii) the conversion of the full amount of notes held by such holder at the conversion rate of 31.1200 shares per \$1,000 principal amount of the notes, which is equivalent to a conversion price of approximately \$32.14. This conversion rate is subject to adjustment as described under Description of Notes Conversion Price Adjustments . Accordingly, the number of shares of our common stock to be sold may increase or decrease from time to time. As a result of the Company's two for one stock split paid on December 8, 2005, effective as of December 2, 2005, the initial conversion rate of the notes of 15.5600, which was equivalent to a conversion price of approximately \$64.27 per share of common stock, was changed to 31.1200 shares of common stock per \$1,000 principal amount of the notes, which is equivalent to a conversion price of approximately \$32.14 per share of common stock. Fractional shares will not be issued upon conversion of the notes. Cash will be paid instead of fractional shares, if any.
- (4) This selling security holder has identified itself as an affiliate of a registered broker-dealer and has represented to us that such selling security holder acquired its notes or underlying common stock in the ordinary course of business and, at the time of the purchase of the notes or the underlying common stock, such selling security holder had no agreements or understandings, directly or indirectly, with any person to distribute the notes or underlying common stock. To the extent that we become aware that such selling security holder did not acquire its notes or underlying common stock in the ordinary course of business or did have such an agreement or understanding, we will file a post-effective amendment to the registration statement of which this prospectus forms a part to designate such affiliate as an underwriter within the meaning of the Securities Act of 1933.
- (5) This selling security holder has identified itself as a registered broker-dealer and, accordingly, it is deemed to be, under the interpretations of the Securities and Exchange Commission, an underwriter within the meaning of the Securities Act of 1933. Please see Plan of Distribution for required disclosure regarding these selling security holders.
- (6) Due to the effects of rounding, does not equal exactly 15.5600 shares per \$1,000 principal amount of the notes. Selling security holders who are registered broker-dealers are deemed to be underwriters within the meaning of the Securities Act of 1933. In addition, selling security holders who are affiliates of registered broker-dealers may be deemed to be underwriters within the meaning of the Securities Act of 1933 if such selling security holder (i) did not acquire its notes or underlying common stock in the ordinary course of business or (ii) had any agreement or understanding, directly or indirectly, with any person to distribute the notes or underlying common stock. To our knowledge, no selling security holder who is a registered broker-dealer or an affiliate of a registered broker-dealer received any securities as underwriting compensation.

Investing in the notes involves risks. See Risk Factors beginning on page 6 of the prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of the prospectus or this prospectus supplement. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is January 6, 2006

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