

NEPHROS INC  
Form SC 13G/A  
February 01, 2010

---

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 1)

Nephros, Inc.  
(Name of Issuer)

Common Stock, par value \$0.001 per share  
(Title of Class of Securities)

640671103  
(CUSIP Number)

December 31, 2009  
(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)

Page 1 of 5

---

SCHEDULE 13G

CUSIP No. 640671103

- 1) NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
- AFS Holdings One 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
- 5) SOLE VOTING POWER
- NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
- 6) None SHARED VOTING POWER
- 7) None SOLE DISPOSITIVE POWER
- 8) None SHARED DISPOSITIVE POWER
- 9) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
- None
- 10) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES ..
- 11) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
- 0%
- 12) TYPE OF REPORTING PERSON
- OO

Item 1(a). Name of Issuer:

Nephros, Inc.

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

41 Grand Avenue  
River Edge, NJ 07661

Item 2(a) – (c). Name of Person Filing; Address of Principal Business Office or, if None, Residence; Citizenship:

AFS Holdings One LLC is a Delaware limited liability company, the sole member of which is Barry F. Schwartz. The address of the principal business and principal office of AFS Holdings One LLC is 35 East 62nd St., New York, New York 10065.

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

Common Stock, par value \$0.001 per share

Item 2(e). CUSIP Number:

640671103

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

- (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)  Investment Adviser in accordance with § 240.13d-1(b)(1)(ii)(E)
- (f)  Employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F)
- (g)  Parent Holding Company or control person in accordance with §240.13d-1(b)(ii)(G)
- (h)  Savings Association as defined in §3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813)
- (i)  Church plan that is excluded from the definition of an investment company under §3(c)(15) of the Investment Company Act of 1940 (15 U.S.C. 80a-3)
- (j)  Group, in accordance with §240.13d-1(b)(ii)(J)



Item 4. Ownership.

- (a) Amount beneficially owned: None
- (b) Percent of class: 0%
- (c) Number of shares as to which such person has:
  - (i) Sole power to vote or to direct the vote: None
  - (ii) Shared power to vote or to direct the vote: None
  - (iii) Sole power to dispose or to direct the disposition of: None
  - (iv) Shared power to dispose or to direct the disposition of: None

Item 5. Ownership of Five Percent or Less of a Class.

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 .

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

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

Not applicable

Item 9. Notice of Dissolution of Group.

Not applicable

Item 10. Certification.

Not applicable

SIGNATURE

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

Date: February 1, 2010

AFS HOLDINGS ONE LLC

By: /s/ Barry F. Schwartz  
Name: Barry F. Schwartz  
Title: Sole Member