

INCENTIVE INVESTMENT JERSEY LTD
Form SC 13D/A
April 16, 2003

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D/A

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)

(Amendment No. 2)

CENTERPULSE LTD.
(Name of Issuer)

Registered Shares, par value CHF 30 per share
(Title of class of securities)

Not applicable*
(CUSIP number)

Eric Stupp
c/o InCentive Capital Ltd.
Baarrerstrasse 8
6301 Zug,
Switzerland

With a copy to:

Michael S. Immordino, Esq.
Latham & Watkins
99 Bishopsgate
London EC2M 3XF
England
(+44) 207-710-1076

(Name, address and telephone number of person authorized
to receive notices and communications)

April 15, 2003
(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 Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the
following box .

(Continued on following pages)
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* There is no CUSIP Number assigned to the Registered Shares. CUSIP No.
152005104 has been assigned to the American Depositary Shares of
Centerpulse Ltd., which are quoted on the New York Stock Exchange under the
symbol "CEP".

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CUSIP No. 152005104*

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1 NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON (ENTITIES ONLY)

INCENTIVE INVESTMENT (JERSEY) LTD

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS:
N/A

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION:

Jersey, UK

7 SOLE VOTING POWER:
0

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

8 SHARED VOTING POWER:
1,554,577

9 SOLE DISPOSITIVE POWER:
0

10 SHARED DISPOSITIVE POWER:
1,554,577

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON:
1,554,577

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):
13.1%

14 TYPE OF REPORTING PERSON:
IV

* There is no CUSIP Number assigned to the Registered Shares. CUSIP NO.
152005103 has been assigned to the American Depositary Shares of
Centerpulse Ltd., which are quoted on the New Stock Exchange under the
symbol "CEP".

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CUSIP No. 152005104*

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1 NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON (ENTITIES ONLY)

INCENTIVE CAPITAL AG

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:

Switzerland

	7	SOLE VOTING POWER: 683,000
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER: 1,554,577
	9	SOLE DISPOSITIVE POWER: 683,000
	10	SHARED DISPOSITIVE POWER: 1,554,577

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON:
2,237,577

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):
18.9%

14 TYPE OF REPORTING PERSON:
IV

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CUSIP No. 152005104*

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1 NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON (ENTITIES ONLY)

INCENTIVE ASSET MANAGEMENT LTD

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

3 SEC USE ONLY

4 SOURCE OF FUNDS:
N/A

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION:

Switzerland

7 SOLE VOTING POWER:
NUMBER OF SHARES 0

8 SHARED VOTING POWER:
BENEFICIALLY OWNED BY EACH 0

9 SOLE DISPOSITIVE POWER:
REPORTING PERSON WITH 0

10 SHARED DISPOSITIVE POWER:
2,295,337

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON:
2,295,337

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):
19.4%

14 TYPE OF REPORTING PERSON:
IA

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CUSIP No. 152005104*

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1 NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO.
OF ABOVE PERSON (ENTITIES ONLY)

MR RENE BRAGINSKY

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

3 SEC USE ONLY

4 SOURCE OF FUNDS:
N/A

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION:

Switzerland

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER: 6,203
	8	SHARED VOTING POWER: 0
	9	SOLE DISPOSITIVE POWER: 6,203
	10	SHARED DISPOSITIVE POWER: 2,295,337

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON:
2,301,540

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):
19.5%

14 TYPE OF REPORTING PERSON:
IN

* There is no CUSIP Number assigned to the Registered Shares. CUSIP No. 152005104 has been assigned to the American Depositary Shares of Centerpulse Ltd., which are quoted on the New York Stock Exchange under the symbol "CEP".

Item 1. Security and Issuer

This Amendment No. 2 to the Statement on Schedule 13D, dated April 16,

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2003, with respect to the Registered Shares, par value CHF 30 per share (the "Registered Shares"), of Centerpulse Ltd., a company incorporated with limited liability under the laws of Switzerland (the "Issuer"), hereby amends and supplements the Statement on Schedule 13D (the "Amended Schedule 13D") initially filed on October 15, 2002, as amended. The Registered Shares trade on the SWX Swiss Exchange and other European exchanges and American Depository Shares ("ADSs") for Registered Shares trade on the New York Stock Exchange under the symbol "CEP". Each ADS represents 0.1 Registered Share. The address of the principal executive offices of the Issuer is Andreasstrasse 15, CH-8050 Zurich, Switzerland.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 of the Amended Schedule 13D is hereby amended and supplemented by adding the following after the last paragraph:

InCentive Jersey made an intra-group transfer to InCentive Capital on April 9, 2003, of 540,000 Call Options and on April 11, 2003 of 105,000 Call Options for aggregate consideration of CHF 44,605,000 and CHF 6,405,000, respectively, thereby transferring to InCentive Capital the right to acquire 645,000 Registered Shares. Incentive Capital borrowed the funds for the transaction from InCentive Jersey pursuant to an intercompany loan.

On April 15, 2003, InCentive Capital acquired 540,000 Registered Shares for an aggregate consideration of CHF 112,000,000 through the exercise by it of 540,000 Call Options. InCentive Capital used working capital as funds for the transaction.

On April 16, 2003, InCentive Capital acquired 105,000 Registered Shares for an aggregate consideration of CHF 24,150,000 through the exercise by it of 105,000 Call Options. InCentive Capital used working capital as funds for the transaction.

On April 16, 2003, InCentive Jersey acquired 38,000 Registered Shares for an aggregate consideration of CHF 9,120,000 through the exercise by it of 38,000 Call Options. InCentive Jersey used working capital as funds for the transaction. InCentive Jersey then made an intra-group transfer to InCentive Capital of 38,000 Registered Shares for CHF 9,120,000. InCentive Capital borrowed the funds for the transaction from InCentive Jersey pursuant to an intercompany loan.

Item 4. Purpose of the Transaction

Item 4 of the Amended Schedule 13D is hereby amended and supplemented by adding the following after the last paragraph:

See Item 3 for a description of the transactions. The transactions were effected in order to satisfy the terms of the InCentive Transaction Agreement, entered into in conjunction with the Tender Offer, which requires the exercise of the Call Options and the delivery of the Registered Shares to New Smith by InCentive Capital.

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On April 16, 2003, InCentive Jersey also cash settled 143,000 put options for Registered Shares (the "Put Options") previously granted to counterparty banks in conjunction with the grant of the identical number of Call Options. This transaction was effected in conjunction with the acquisitions by InCentive Jersey and InCentive Capital on April 16 of, in the aggregate, 143,000 Registered Shares pursuant to the exercise of the Call Options. Together, the

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exercise of the Call Options and the cancellation by cash settlement of the Put Options terminated the forward position that InCentive Jersey had held in the Registered Shares through the Call Options and Put Options.

Item 5. Interest in the Securities of the Issuer

Item 5 (a)-(b) of the Amended Schedule 13D is hereby amended and supplemented to read in its entirety:

(a) - (b) As of the date hereof, the Reporting Persons collectively beneficially own (or are deemed, for purpose of Regulation 13D-G to beneficially own) in the aggregate 2,301,540 Registered Shares, representing 19.5% of the outstanding Registered Shares of the Issuer (based on 11,830,645 Registered Shares, as listed in the commercial register dated January 23, 2003). Included among the Registered Shares so beneficially owned by the Reporting Persons are (i) 1,554,577 Registered Shares owned directly by InCentive Jersey, (ii) 683,000 Registered Shares owned directly by InCentive Capital, (iii) 57,760 Registered Shares held by entities other than InCentive Jersey or InCentive Capital, for which InCentive Asset Management provides investment management services and, as a result of such services, have dispositive power with respect to such Registered Shares and (iii) 6,203 Registered Shares owned directly by Mr. Braginsky.

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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.

INCENTIVE INVESTMENT (JERSEY) LTD.

By: /s/ Michael Dee

Name: Michael Dee
Title: Chairman

By: /s/ Marc C. Bruppacher

Name: Dr. Marc C. Bruppacher
Title: Director

INCENTIVE CAPITAL LTD.

By: /s/ Thomas Wyler

Name: Thomas Wyler
Title: Authorized Signatory

By: /s/ Eric Stupp

Name: Eric Stupp
Title: Director

INCENTIVE ASSET MANAGEMENT LTD.

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By: /s/ Paul Wyler

Name: Paul Wyler
Title: Director

By: /s/ Raoul Bloch

Name: Dr. Raoul Bloch
Title: Member of management
board

RENE BRAGINSKY

By: /s/ Raoul Bloch

Name: Raoul Bloch
Attorney in Fact

Date: April 16, 2003

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