

ION GEOPHYSICAL CORP
Form SC 13G/A
February 17, 2009

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13G/A
(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULES 13d-1(b), (c), AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b)
(Amendment No. 1)*

ION Geophysical Corporation
(Name of Issuer)

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

462044108
(CUSIP Number)

December 31, 2008
(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 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).

CUSIP No. 462044108 13G/A Page 3 of 8 Pages

1. NAMES OF REPORTING PERSONS.

Fletcher International, Ltd.

(a)

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Bermuda

NUMBER OF SHARES
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON WITH

5. SOLE VOTING POWER

0

6. SHARED VOTING POWER

0

7. SOLE DISPOSITIVE POWER

0

8. SHARED DISPOSITIVE POWER

0

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9,669,434

10. CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

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

8.9%

12. TYPE OF REPORTING PERSON

CO

Item Name of Issuer:
1(a).

ION Geophysical Corporation

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

2105 CityWest Boulevard

Building III, Suite 400

Houston, Texas 77042

Item Names of Persons Filing:
2(a).

Fletcher Asset Management, Inc. ("FAM"), Fletcher International, Ltd. ("FIL") and Alphonse Fletcher, Jr.

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

c/o Fletcher Asset Management, Inc.

48 Wall Street

5th Floor

New York, New York 10005

Item Citizenship:
2(c).

FAM is a corporation organized under the laws of the State of Delaware. FIL is a company organized under the laws of Bermuda. Alphonse Fletcher, Jr. is a citizen of the United States.

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

Common Stock, \$0.01 par value

Item CUSIP Number:
2(e).

462044108

Item 3. If this statement is filed pursuant to §§ 240.13d-1(b) or Rule 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) An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
- (f) An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
- (g) A parent holding company or control person in accordance with § 240.13d-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 (15 U.S.C. 80a-3);
- (j) A non-U.S. institution in accordance with § 240.13d-1(b)(1)(ii)(J);
- (k) Group, in accordance with § 240.13d-1(b)(1)(ii)(K).

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

Item 4. Ownership.

(a) Amount Beneficially Owned:

9,669,434 shares

(b) Percent of Class:

8.9% (based on 109,101,581 shares of Common Stock, par value \$0.01 per share (the "Common Stock"), of ION Geophysical Corporation (the "Company") consisting of (i) 99,432,147 shares reported by the Company to be outstanding as of October 31, 2008, and (ii) 9,669,434 shares of Common Stock underlying the Convertible Securities (as defined below) beneficially owned by FAM, FIL and Mr. Fletcher issuable within 60 days as of December 31, 2008).

(c) Number of shares as to which FAM has:

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

9,669,434 shares

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

0 shares

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

9,669,434 shares

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

0 shares

The 9,669,434 shares of Common Stock reported to be beneficially owned consist of 9,669,434 shares of Common Stock issuable upon the conversion or exercise by FIL of certain convertible securities owned by FIL (collectively the "Convertible Securities"). The Convertible Securities are convertible within 60 days as of December 31, 2008. The holdings reported reflect the shares of Common Stock issuable within 60 days as of December 31, 2008 that would have been held had the Convertible Securities been converted on December 31, 2008. The holdings do not reflect additional shares of Common Stock issuable upon conversion or exercise of the Convertible Securities commencing sixty-five (65) days after FIL provides one or more notices to the Company.

The shares of Common Stock of the Company reported to be beneficially owned consist of shares of Common Stock underlying the Convertible Securities held in one or more accounts managed by FAM (the "Accounts") for FIL. FAM has sole power to vote and sole power to dispose of all shares of Common Stock underlying the Convertible Securities in the Accounts. By virtue of Mr. Fletcher's position as Chairman and Chief Executive Officer of FAM, Mr. Fletcher may be deemed to have the shared power to vote or direct the vote of, and the shared power to dispose or direct the disposition of, such shares, and, therefore, Mr. Fletcher may be deemed to be the beneficial owner of such Common Stock.

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.

This Schedule 13G/A is filed by FAM, which is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, as amended, with respect to the shares of Common Stock underlying the Convertible Securities held at December 31, 2008 in the Accounts managed by FAM. By reason of the provisions of Rule 13d-3 under the Act, FAM, FIL and Mr. Fletcher may each be deemed to beneficially own the shares of Common Stock underlying the Convertible Securities held in the Accounts. The Accounts have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such shares purchased for its account.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company.

This Schedule 13G/A is filed by FAM, FIL and Mr. Fletcher.

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

Not Applicable

Item 9. Notice of Dissolution of Group.

Not Applicable

Item 10. Certifications.

By signing below Fletcher Asset Management, Inc., Fletcher International, Ltd. and Alphonse Fletcher, Jr. certify that, to the best of their knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and 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.

SIGNATURE

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

Dated: February 13, 2009

Fletcher Asset Management, Inc.

By: /s/ Peter Zayfert

Name: Peter Zayfert
Title: Authorized Signatory

Fletcher International, Ltd. by its duly authorized investment advisor,
Fletcher Asset Management, Inc.

By: /s/ Peter Zayfert

Name: Peter Zayfert
Title: Authorized Signatory

Alphonse Fletcher, Jr., in his individual capacity

By: /s/ Denis J. Kiely

Name: Denis J. Kiely for Alphonse Fletcher, Jr.
*By Power of Attorney, dated February 14, 2001, attached as
Exhibit A hereto.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that the person whose signature appears below revokes all prior Power of Attorney and appoints Denis J. Kiely to act severally as attorney-in-fact for the undersigned solely for the purpose of executing reports required under Sections 13 and 16 of the Securities Exchange Act of 1934, as amended, and filing the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission thereby ratifying and confirming all that said attorney-in-fact may do or cause to be done by virtue hereof.

Signed: /s/ Alphonse Fletcher Jr.

Alphonse Fletcher Jr.

Dated: February 14, 2001