

QUANTUM INDUSTRIAL PARTNERS LDC ET AL

Form 4

July 24, 2008

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(Print or Type Responses)

1. Name and Address of Reporting Person *

QUANTUM INDUSTRIAL
PARTNERS LDC ET AL

(Last) (First) (Middle)

KAYA FLAMBOYAN
9, WILLEMSTAD, CURACAO

(Street)

2. Issuer Name and Ticker or Trading

Symbol
BLUEFLY INC [BFLY]

3. Date of Earliest Transaction

(Month/Day/Year)

07/23/2008

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____X____ 10% Owner
____ Officer (give title below) ____ Other (specify below)

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)

X Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

NETHERLANDS ANTILLES

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)			
			Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	An Nu Sh
Convertible Promissory Note	\$ 3.65 ⁽¹⁾	07/23/2008	P	\$ 1,809,480					07/23/2008	07/23/2011	Common Stock	49

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

QUANTUM INDUSTRIAL PARTNERS LDC ET AL
KAYA FLAMBOYAN 9
WILLEMSTAD, CURACAO
NETHERLANDS ANTILLES

X

Signatures

/s/ Jay Schoenfarber, Attorney-in-Fact for Quantum Industrial Partners
LDC

07/24/2008

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) These securities are convertible at the option of the Reporting Person (i) into that number of shares of common stock, \$0.01 par value per share, of the issuer equal to the principal amount of the note divided by \$3.65, or (ii) into that number of equity securities of the issuer sold in a future financing ("Subsequent Securities") equal to the principal amount of the note divided by the lowest price paid by any purchaser of the Subsequent Securities (the "Subsequent Conversion Price").

(2) These securities are convertible at the option of the Reporting Person (i) into 495,748 shares of common stock, \$0.01 par value per share, of the issuer, or (ii) into that number of Subsequent Securities equal to the principal amount of the note divided by the Subsequent Conversion Price.

(3) These securities are held for the account of Quantum Industrial Partners LDC, an exempted limited duration company formed under the laws of the Cayman Islands ("QIP"). QIH Management Investor, L.P., an investment advisory firm organized as a Delaware limited partnership ("QIHMI"), is a minority shareholder of, and is vested with investment discretion with respect to portfolio assets held for the account of QIP. The sole general partner of QIHMI is QIH Management LLC, a Delaware limited liability company ("QIH Management"). Soros Fund Management LLC, a Delaware limited liability company, is the sole managing member of QIH Management.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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