

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 1)

QAD Inc.

(Name of Issuer)

Common Stock, \$0.001 par value per share

(Title of Class of Securities)

74727D 10 8

(CUSIP Number)

James A. Mercadante, Esq.

Baker & Hostetler LLP

666 Fifth Avenue

New York, New York 10103

(212) 589-4206

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

December 5, 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 / /.

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Recovery Equity Investors II, L.P.

2 CHECK APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) / /

(b) /x/

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

Delaware

NUMBER OF
SHARES

7

SOLE VOTING POWER

3,002,778

BENEFICIALLY

8

SHARED VOTING POWER

OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		3,002,778
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,002,778

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

/ /

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

9.1%

14 TYPE OF REPORTING PERSON

PN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Recovery Equity Partners II, L.P.

2 CHECK APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) / /

(b) /x/

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

Delaware

NUMBER OF	7	SOLE VOTING POWER
SHARES		3,002,778
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		3,002,778
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,002,778

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

/ /

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

9.1%

14 TYPE OF REPORTING PERSON

PN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Joseph James Finn-Egan

2 CHECK APPROPRIATE BOX IF A MEMBER OF A GROUP (a) / /
(b) /x/

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

United States Citizen

NUMBER OF	7	SOLE VOTING POWER
SHARES		0
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		3,002,778
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		0
PERSON WITH	10	SHARED DISPOSITIVE POWER
		3,002,778

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,002,778

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

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

9.1%

14 TYPE OF REPORTING PERSON

IN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Jeffrey A. Lipkin

2 CHECK APPROPRIATE BOX IF A MEMBER OF A GROUP (a) / /
(b) /x/

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

Delaware

NUMBER OF	7	SOLE VOTING POWER
SHARES		0
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		3,002,778
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		0
PERSON WITH	10	SHARED DISPOSITIVE POWER
		3,002,778

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,002,778

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

/ /

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

9.1%

14 TYPE OF REPORTING PERSON

IN

This Amendment No. 1 to the original Schedule 13D filed as of January 3, 2000 (the "Original Schedule 13D") is being filed to reflect the cash exercise of the Warrant. On December 5, 2003, REI exercised the Warrant and thereby purchased 225,000 shares of Common Stock from QAD for \$7.50 per share.

Capitalized terms used but not otherwise defined herein have the respective meanings given to them in the Original Schedule 13D.

ITEM 2. IDENTITY AND BACKGROUND

Item 2 of the Original Schedule 13D is hereby amended by changing the business address of REI, REP and Mr. Finn-Egan to: 2505 Anthem Village Drive, Suite E-622, Henderson, Nevada 89052.

Item 2 of the Original Schedule 13D is hereby amended by changing the business address of Mr. Lipkin to: 650 Georgia Avenue, Palo Alto, California 94306.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

The second paragraph of Item 3 of the Original Schedule 13D is hereby amended to read in its entirety as follows:

The funds used to purchase Common Stock on the Closing Date, as well as the Common Stock issued upon the exercise of the Warrant, were obtained from the working capital of REI. REI obtains its working capital through capital contributions from its limited partners.

ITEM 4.

PURPOSE OF TRANSACTION

The first paragraph of Item 4 of the Original Schedule 13D is hereby amended to read in its entirety as follows:

Except as described in this Schedule 13D, REI entered into the Stock Purchase Agreement and the related agreements described below, and acquired the Warrant and the shares of Common Stock acquired by it under the Stock Purchase Agreement, as well as the shares of Common Stock subsequently acquired upon its exercise of the Warrant, for investment purposes. REI intends to review from time to time its investment in QAD and depending on such review may consider from time to time various alternative courses of action. In addition, depending on prevailing conditions from time to time, including, without limitation, price and availability of shares, future evaluations by REI of the business and prospects of QAD, regulatory requirements and general stock market and economic conditions, REI may determine to increase its investment or sell all or part of its investment in QAD through open-market purchases, privately negotiated transactions or otherwise.

The fourth paragraph of Item 4 of the Original Schedule 13D is hereby amended to read in its entirety as follows:

On December 5, 2003, REI exercised the Warrant and thereby purchased 225,000 shares of Common Stock from QAD for \$7.50 per share. REI paid the exercise price in cash.

ITEM 5.

INTEREST IN SECURITIES OF THE ISSUER

Item 5 of the Original Schedule 13D is hereby amended to read in its entirety as follows:

(a) The aggregate number of shares of Common Stock beneficially owned by each reporting person as of December 5, 2003 is 3,002,778, or approximately 9.1% of the outstanding shares of Common Stock.

(b) The responses of each reporting person to Items (7) through (11) of the cover page of Amendment No. 1 to the Original Schedule 13D that relate to shares of Common Stock beneficially owned by such reporting person are incorporated herein by reference.

(c) Other than as reported in Amendment No. 1 to the Original Schedule 13D, none of the Reporting Persons has effected a transaction in shares of Common Stock during the past 60 days.

(d) No person other than the Reporting Persons has the right to receive or the power to direct the receipt of dividends from or the proceeds from the sale of the securities to which this Schedule 13D relates.

(e) Not applicable.

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete, and correct and agrees that this statement may be filed jointly with Recovery Equity Partners II, L.P., Joseph J. Finn-Egan and Jeffrey A. Lipkin.

Dated: December 5, 2003

RECOVERY EQUITY INVESTORS II, L.P.

By: RECOVERY EQUITY PARTNERS II, L.P.,
its General Partner

By: /s/ Joseph J. Finn-Egan

Name: Joseph J. Finn-Egan
Title: General Partner

By: /s/ Jeffrey A. Lipkin

Name: Jeffrey A. Lipkin
Title: General Partner

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete, and correct and agrees that this statement may be filed jointly with Recovery Equity Investors II, L.P., Joseph J. Finn-Egan and Jeffrey A. Lipkin.

Dated: December 5, 2003

RECOVERY EQUITY PARTNERS II, L.P.

By: /s/ Joseph J. Finn-Egan

Name: Joseph J. Finn-Egan
Title: General Partner

By: /s/ Jeffrey A. Lipkin

Name: Jeffrey A. Lipkin
Title: General Partner

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete, and correct and agrees that this statement may be filed jointly with Recovery Equity Investors II, L.P., Recovery Equity Partners II, L.P. and Jeffrey A. Lipkin.

Dated: December 5, 2003

By: /s/ Joseph J. Finn-Egan

Name: Joseph J. Finn-Egan

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete, and correct and agrees that this statement may be filed jointly with Recovery Equity Investors II, L.P., Recovery Equity Partners II, L.P. and Joseph J. Finn-Egan.

Dated: December 5, 2003

By: /s/ Jeffrey A. Lipkin

Name: Jeffrey A. Lipkin