

LMP CAPITAL & INCOME FUND INC.
Form SC 13D/A
August 26, 2011

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

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No. 6)1

LMP Capital and Income Fund Inc.

(Name of Issuer)

Common Stock, \$0.001 Par Value
(Title of Class of Securities)

50208A102
(CUSIP Number)

STEVEN WOLOSKY, ESQ.
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP
Park Avenue Tower
65 East 55th Street
New York, New York 10022
(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

August 23, 2011

(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 §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box " .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

1 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 disclosures provided in a prior cover page.

The information required on 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. 50208A102

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO, 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 BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | 879,795 |
| | 8 | SHARED VOTING POWER |
| | | - 0 - |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 879,795 |
| | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

879,795

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

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

4.2%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

ARTHUR D. LIPSON

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

| | | |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | 879,795 |
| | 8 | SHARED VOTING POWER |
| | | - 0 - |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 879,795 |
| | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

879,795

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

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

4.2%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT HEDGED PARTNERS L.P.

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

DELAWARE

| | | |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | 394,472 |
| | 8 | SHARED VOTING POWER |
| | | - 0 - |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 394,472 |
| | 10 | SHARED DISPOSITIVE POWER |
| | | - 0 - |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

394,472

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

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

1.9%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT ACTIVISM PARTNERS LLC

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

DELAWARE

| | | |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | 223,365 |
| | 8 | SHARED VOTING POWER |
| | | - 0 - |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 223,365 |
| | 10 | SHARED DISPOSITIVE POWER |
| | | - 0 - |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

223,365

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

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

1.1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT TOTAL RETURN PARTNERS L.P.

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

DELAWARE

| | | |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | 261,627 |
| | 8 | SHARED VOTING POWER |
| | | - 0 - |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 261,627 |
| | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

261,627

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

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

1.2%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

WESTERN INVESTMENT TOTAL RETURN FUND LTD.

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

CAYMAN ISLANDS

| | | |
|---|----|------------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | 8 | 100 SHARED VOTING POWER |
| | 9 | - 0 - SOLE DISPOSITIVE POWER |
| | 10 | 100 SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

100

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

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

Less than 1%

14 TYPE OF REPORTING PERSON

CO

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

BENCHMARK PLUS INSTITUTIONAL PARTNERS, L.L.C.

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

DELAWARE

| | | |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | 168,496 |
| | 8 | SHARED VOTING POWER |
| | | - 0 - |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 168,496 |
| | 10 | SHARED DISPOSITIVE POWER |
| | | - 0 - |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

168,496

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

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

Less than 1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

BENCHMARK PLUS MANAGEMENT, L.L.C.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

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 BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | 168,496 |
| | 8 | SHARED VOTING POWER |
| | | - 0 - |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 168,496 |
| | 10 | SHARED DISPOSITIVE POWER |
| | | - 0 - |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

168,496

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

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

Less than 1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

ROBERT FERGUSON

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

| | | |
|--------------------------|----|--------------------------|
| NUMBER OF SHARES | 7 | SOLE VOTING POWER |
| BENEFICIALLY OWNED BY | | 168,496 |
| EACH | 8 | SHARED VOTING POWER |
| REPORTING | | - 0 - |
| PERSON WITH | 9 | SOLE DISPOSITIVE POWER |
| | | 168,496 |
| | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

168,496

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

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

Less than 1%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 50208A102

1 NAME OF REPORTING PERSON

SCOTT FRANZBLAU

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

| | | |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | 168,496 |
| | 8 | SHARED VOTING POWER |
| | | - 0 - |
| | 9 | SOLE DISPOSITIVE POWER |
| | | 168,496 |
| | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

168,496

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

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

Less than 1%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 50208A102

The following constitutes Amendment No. 6 to the Schedule 13D filed by the undersigned ("Amendment No. 6"). This Amendment No. 6 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The aggregate purchase price of the 879,795 Shares beneficially owned by WILLC is approximately \$11,296,330. The Shares beneficially owned by WILLC consist of 231 Shares that were acquired with WILLC's working capital, 394,472 Shares that were acquired with WIHP's working capital, 223,365 Shares that were acquired with WIAP's working capital, 261,627 Shares that were acquired with WITRP's working capital and 100 Shares that were acquired with WITRL's working capital.

The aggregate purchase price of the 168,496 Shares beneficially owned by BPM is approximately \$2,091,009. The Shares beneficially owned by BPM consist of 168,496 Shares that were acquired with BPIP's working capital.

Item 5. Interest in Securities of the Issuer.

Item 5(a) is amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 20,974,874 Shares outstanding, which is the total number of Shares outstanding as of June 30, 2011, as reported in the Issuer's Semi-Annual Report to Stockholders on Form N-CSR, filed with the Securities and Exchange Commission on August 26, 2011.

As of the close of business on August 25, 2011, WIHP, WIAP, WITRP and WITRL beneficially owned 394,472, 223,365, 261,627 and 100 Shares, respectively, constituting approximately 1.9%, 1.1%, 1.2% and less than 1%, respectively, of the Shares outstanding.

As the general partner of each of WIHP and WITRP, the managing member of WIAP and the investment manager of WITRL, WILLC may be deemed to beneficially own the 879,564 Shares owned in the aggregate by WIHP, WIAP, WITRP and WITRL, constituting approximately 4.2% of the Shares outstanding, in addition to the 231 Shares it holds directly.

As the managing member of WILLC, Mr. Lipson may be deemed to beneficially own the 879,795 Shares beneficially owned by WILLC, constituting approximately 4.2% of the Shares outstanding.

As of the close of business on August 25, 2011, BPIP beneficially owned 168,496 Shares, constituting less than 1% of the Shares outstanding. As the managing member of BPIP, BPM may be deemed to beneficially own the 168,496 Shares owned by BPIP, constituting less than 1% of the Shares outstanding. As managing members of BPM, each of Messrs. Franzblau and Ferguson may be deemed to beneficially own the 168,496 Shares beneficially owned by BPM, constituting less than 1% of the Shares outstanding.

Item 5(c) is amended to add the following:

(c) Schedule B annexed hereto lists all transactions in securities of the Issuer since the filing of Amendment No. 5 to the Schedule 13D by the Reporting Persons. All of such transactions were effected in the open market unless otherwise noted.

Item 5(e) is hereby amended and restated to read as follows:

(e) As of August 25, 2011, the Reporting Persons ceased to be the beneficial owners of more than 5% of the Shares of the Issuer.

12

CUSIP NO. 50208A102

SIGNATURES

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

Dated: August 26, 2011

WESTERN INVESTMENT LLC

By: /s/ Arthur D. Lipson
Name: Arthur D. Lipson
Title: Managing Member

WESTERN INVESTMENT HEDGED PARTNERS L.P.

By: Western Investment LLC
General Partner

By: /s/ Arthur D. Lipson
Name: Arthur D. Lipson
Title: Managing Member

WESTERN INVESTMENT ACTIVISM PARTNERS LLC

By: Western Investment LLC
Managing Member

By: /s/ Arthur D. Lipson
Name: Arthur D. Lipson
Title: Managing Member

WESTERN INVESTMENT TOTAL RETURN PARTNERS L.P.

By: Western Investment LLC
General Partner

By: /s/ Arthur D. Lipson
Name: Arthur D. Lipson
Title: Managing Member

WESTERN INVESTMENT TOTAL RETURN FUND LTD.

By: Western Investment LLC
Investment Manager

By: /s/ Arthur D. Lipson

Name: Arthur D. Lipson
Title: Managing Member

/s/ Arthur D. Lipson
ARTHUR D. LIPSON

CUSIP NO. 50208A102

BENCHMARK PLUS INSTITUTIONAL PARTNERS, L.L.C.

By: Benchmark Plus Management, L.L.C.
Managing Member

By: /s/ Robert Ferguson
Name: Robert Ferguson
Title: Managing Member

By: /s/ Scott Franzblau
Name: Scott Franzblau
Title: Managing Member

BENCHMARK PLUS MANAGEMENT, L.L.C.

By: /s/ Robert Ferguson
Name: Robert Ferguson
Title: Managing Member

By: /s/ Scott Franzblau
Name: Scott Franzblau
Title: Managing Member

/s/ Robert Ferguson
ROBERT FERGUSON

/s/ Scott Franzblau
SCOTT FRANZBLAU

CUSIP NO. 50208A102

SCHEDULE B

Transactions in the Shares Since the Filing of Amendment No. 5 to the Schedule 13D

| Date of Sale | Shares of Common Stock (Sold) | Price Per Share (\$) |
|---|-------------------------------|----------------------|
| WESTERN INVESTMENT HEDGED PARTNERS L.P. | | |
| 08/08/11 | (2,000) | 11.7003 |
| 08/08/11 | (44,800) | 11.6913 |
| 08/15/11 | (900) | 12.2235 |
| 08/18/11 | (700) | 11.9620 |
| 08/19/11 | (1,000) | 11.9400 |
| 08/22/11 | (5,200) | 11.8822 |
| 08/23/11 | (4,300) | 12.0992 |
| 08/23/11 | (800) | 11.9413 |
| 08/24/11 | (10,000) | 12.2464 |
| 08/25/11 | (1,300) | 12.3060 |
| 08/25/11 | (9,100) | 12.2886 |

WESTERN INVESTMENT ACTIVISM PARTNERS LLC

| | | |
|----------|----------|---------|
| 08/08/11 | (28,100) | 11.6913 |
| 08/15/11 | (900) | 12.2235 |
| 08/18/11 | (700) | 11.9620 |
| 08/19/11 | (1,000) | 11.9400 |
| 08/22/11 | (5,200) | 11.8832 |
| 08/23/11 | (800) | 11.9413 |
| 08/23/11 | (4,300) | 12.0992 |
| 08/24/11 | (10,000) | 12.2469 |
| 08/25/11 | (3,586) | 12.2892 |
| 08/25/11 | (5,490) | 12.2883 |
| 08/25/11 | (1,300) | 12.3060 |

WESTERN INVESTMENT TOTAL RETURN PARTNERS L.P.

| | | |
|----------|----------|---------|
| 08/08/11 | (32,168) | 11.6913 |
| 08/15/11 | (850) | 12.2235 |
| 08/18/11 | (600) | 11.9620 |
| 08/19/11 | (1,000) | 11.9400 |
| 08/22/11 | (5,285) | 11.8832 |
| 08/23/11 | (700) | 11.9413 |
| 08/23/11 | (4,200) | 12.0992 |
| 08/24/11 | (10,000) | 12.2464 |
| 08/25/11 | (1,224) | 12.3060 |
| 08/25/11 | (9,000) | 12.2886 |

CUSIP NO. 50208A102

BENCHMARK PLUS INSTITUTIONAL PARTNERS, L.L.C.

| | | |
|----------|----------|---------|
| 08/01/11 | (9,366) | 12.8907 |
| 08/02/11 | (2,801) | 12.7480 |
| 08/03/11 | (3,500) | 12.6244 |
| 08/03/11 | (200) | 12.5813 |
| 08/04/11 | (16,400) | 12.3792 |
| 08/04/11 | (1,600) | 12.3925 |
| 08/05/11 | (4,000) | 12.1923 |
| 08/05/11 | (1,000) | 12.1813 |
| 08/09/11 | (12,080) | 11.4034 |
| 08/09/11 | (3,920) | 11.1887 |
| 08/10/11 | (10,000) | 11.5830 |