

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

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

Under the Securities Exchange Act of 1934
(Amendment No. 2)*

Carrols Restaurant Group, Inc.

(Name of Issuer)

Common Stock, \$0.01 par value

(Title of Class of Securities)

14574X104

(CUSIP Number)

Marc Weingarten, Esq.
Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022
(212) 756-2000

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

November 8, 2007

(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. []

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

(Page 1 of 9 Pages)

* 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. 14574X104

SCHEDULE 13D

PAGE 2 OF 9 PAGES

CLINTON GROUP, INC.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

7 SOLE VOTING POWER

-0-

8 SHARED VOTING POWER

1,761,403

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

1,761,403

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,761,403

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

[]

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

8.2%

14 TYPE OF REPORTING PERSON*

IA; CO

* SEE INSTRUCTIONS

CUSIP NO. 14574X104

SCHEDULE 13D

PAGE 3 OF 9 PAGES

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

CLINTON MULTISTRATEGY MASTER 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 ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

8 SHARED VOTING POWER

1,061,760

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

1,061,760

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,061,760

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

[]

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

4.9%

14 TYPE OF REPORTING PERSON*

CO

* SEE INSTRUCTIONS

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CUSIP NO.	14574X104	SCHEDULE 13D	PAGE 4 OF 9 PAGES
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1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)		
	CLINTON SPECIAL OPPORTUNITIES MASTER 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 ITEMS 2(d) or 2(e) []		
6	CITIZENSHIP OR PLACE OF ORGANIZATION		
	CAYMAN ISLANDS		
	7	SOLE VOTING POWER	
		-0-	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		409,619	
	9	SOLE DISPOSITIVE POWER	
		-0-	
	10	SHARED DISPOSITIVE POWER	
		409,619	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON		
	409,619		
12	CHECK 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*		
	CO		

* SEE INSTRUCTIONS

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

CLINTON LEXINGTON MASTER FUND, 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 ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

	7	SOLE VOTING POWER
		-0-
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		290,024
	9	SOLE DISPOSITIVE POWER
		-0-
	10	SHARED DISPOSITIVE POWER
		290,024

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

290,024

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

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

1.4%

14 TYPE OF REPORTING PERSON*

PN

* SEE INSTRUCTIONS

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

GEORGE HALL

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*

AF

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

UNITED STATES

7 SOLE VOTING POWER

115,200

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

8 SHARED VOTING POWER

1,761,403

9 SOLE DISPOSITIVE POWER

115,200

10 SHARED DISPOSITIVE POWER

1,761,403

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,876,603

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

[]

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

8.7%

14 TYPE OF REPORTING PERSON*

IN

* SEE INSTRUCTIONS

The Schedule 13D filed on September 9, 2007 Clinton Group, Inc., a Delaware corporation ("CGI"), Clinton Multistrategy Master Fund, Ltd., a Cayman Islands company ("CMSF"), Clinton Special Opportunities Master Fund, Ltd., a Cayman Islands company ("CSO"), Clinton Lexington Master Fund, L.P., a Cayman Islands exempted limited partnership ("CLEX") and George Hall (collectively, the "Reporting Persons") with respect to the shares of Common Stock, par value \$0.01 per share (the "Shares") of Carrols Restaurant Group, Inc., a Delaware corporation (the "Issuer"), as previously amended by Amendment No. 1 filed on October 2, 2007 is hereby amended by this Amendment No. 2.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

Item 3 of the Schedule 13D is hereby amended and restated as follows:

Funds for the purchase of the Shares reported herein were derived from available capital of CMSF, CSO and CLEX. A total of approximately \$24.3 million was paid to acquire such Shares.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Paragraphs (a), (b) and (c) of Item 5 of the Schedule 13D are hereby amended and restated as follows:

(a) As of the close of business on November 9, 2007, the Reporting Persons excepting George Hall may be deemed the beneficial owners of an aggregate of 1,761,403 Shares, constituting approximately 8.2% of the Shares outstanding. George Hall may be deemed the beneficial owner of 1,876,603 Shares, including 115,200 Shares beneficially owned individually, constituting approximately 8.7% of the Shares outstanding.

The aggregate percentage of Shares beneficially owned by the Reporting Persons is based upon 21,550,827 Shares outstanding, which is the total number of Shares outstanding as of November 2, 2007 as reported in the Issuer's Quarterly Report on Form 10-Q filed November 9, 2007 for the period ended September 30, 2007.

(b) By virtue of investment management agreements with each of CMSF, CSO and CLEX, CGI has the power to vote or direct the voting, and to dispose or direct the disposition, of all of the 1,061,760 Shares held by CMSF, the 409,619 Shares held by CSO and the 290,024 Shares held by CLEX. By virtue of his direct and indirect control of CGI, George Hall is deemed to have shared voting power and shared dispositive power with respect to all Shares as to which CGI has voting power or dispositive power. Individually, George Hall also has sole beneficial ownership of an additional 115,200 Shares. Accordingly, CGI and George Hall are deemed to have shared voting and shared dispositive power with respect to an aggregate of 1,761,403 Shares and George Hall is deemed to have sole voting power and dispositive power with respect to an additional 115,200 Shares.

(c) Information concerning transactions in the Shares effected by the Reporting Persons since the most recent filing on Schedule 13D is forth in Schedule B hereto and is incorporated herein by reference. Unless otherwise indicated, all of such transactions were effected in the open market.

SIGNATURES

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

Dated: November 13, 2007

CLINTON GROUP, INC.

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Comptroller

CLINTON MULTISTRATEGY MASTER FUND, LTD.

By: Clinton Group, Inc. its investment
manager

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Comptroller

CLINTON SPECIAL OPPORTUNITIES MASTER FUND, LTD.

By: Clinton Group, Inc. its investment
manager

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Comptroller

CLINTON LEXINGTON MASTER FUND, L.P.

By: Clinton Group, Inc. its investment
manager

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Comptroller

/s/ George Hall

George Hall

SCHEDULE B

TRANSACTIONS IN THE SHARES BY THE REPORTING PERSONS SINCE OCTOBER 2, 2007

Clinton Multistrategy Master Fund, Ltd.

Trade Date	Shares Purchased (Sold)	Price Per Share (\$)
10/03/07	1,100	11.83
10/03/07	(11,400)	11.71
10/03/07	7,000	11.68
10/08/07	10,100	11.78
10/12/07	15,000	12.15
10/19/07	7,200	11.31
10/22/07	700	10.95
10/22/07	5,000	11.01
10/22/07	3,700	11.22
10/23/07	28,000	11.31
10/23/07	5,500	11.29
10/25/07	6,265	10.93
10/26/07	6,500	11.04
10/29/07	1,806	11.11
10/29/07	500	11.09
10/30/07	4,500	10.91
10/31/07	1,000	11.03
11/08/07	5,000	10.00
11/08/07	6,500	10.23

Clinton Special Opportunities Master Fund, Ltd.

Trade Date	Shares Purchased (Sold)	Price Per Share (\$)
10/03/07	5,529	11.48
10/05/07	8,000	11.75
10/12/07	8,900	12.15
10/19/07	4,400	11.31
10/22/07	827	10.95
10/22/07	5,000	11.01
10/22/07	3,712	11.22
10/23/07	16,800	11.31
10/23/07	3,300	11.29
10/25/07	2,400	10.93
10/26/07	6,500	11.04
10/29/07	200	11.11
10/29/07	600	11.09
10/30/07	4,500	10.91
11/08/07	5,000	10.00
11/08/07	3,800	10.23

Clinton Lexington Master Fund, L.P.

Trade Date	Shares Purchased (Sold)	Price Per Share (\$)
10/02/07	11,811	11.81
10/12/07	5,900	12.15
10/19/07	2,900	11.31
10/23/07	11,200	11.31
10/23/07	2,200	11.29
10/25/07	3,600	10.93
10/29/07	300	11.11
10/29/07	1,000	11.09
11/08/07	2,500	10.23