

MTM Technologies, Inc.
Form 4
January 22, 2007

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
BEAR STEARNS ASSET MANAGEMENT INC

(Last) (First) (Middle)

383 MADISON AVENUE,

(Street)

NEW YORK, NY 10179

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
MTM Technologies, Inc. [MTMC]

3. Date of Earliest Transaction
(Month/Day/Year)
12/14/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Ownership 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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 (Instr. 3) | 2. Conversion or Exercise Price of | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|------------------------------------|--------------------------------------|--|--------------------------------|---|--|---|
|--|------------------------------------|--------------------------------------|--|--------------------------------|---|--|---|

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| | Derivative Security | or Disposed of (D) (Instr. 3, 4, and 5) | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|----------------------------|---------------------|---|--------------|------|--------|-----|-----|------------------|-----------------|--------------|----------------------------|
| | | | | | | | | | | | |
| Series A-3 Preferred Stock | \$ 3.25 <u>(1)</u> | 11/21/2006 | J <u>(2)</u> | V | 12,843 | | | 11/21/2006 | <u>(1)</u> | Common Stock | 12,843 <u>(1)</u> |
| Series A-3 Preferred Stock | \$ 3.25 <u>(1)</u> | 11/21/2006 | J <u>(2)</u> | V | 28,802 | | | 11/21/2006 | <u>(1)</u> | Common Stock | 28,802 <u>(1)</u> |
| Series A-3 Preferred Stock | \$ 3.25 <u>(1)</u> | 11/21/2006 | J <u>(2)</u> | V | 719 | | | 11/21/2006 | <u>(1)</u> | Common Stock | 719 <u>(1)</u> |
| Series A-3 Preferred Stock | \$ 3.25 <u>(1)</u> | 11/21/2006 | J <u>(2)</u> | V | 15,327 | | | 11/21/2006 | <u>(1)</u> | Common Stock | 15,327 <u>(1)</u> |
| Series A-4 Preferred Stock | \$ 3.25 <u>(4)</u> | 11/21/2006 | J <u>(2)</u> | V | 18,335 | | | 11/21/2006 | <u>(4)</u> | Common Stock | 18,355 <u>(4)</u> |
| Series A-4 Preferred Stock | \$ 3.25 <u>(4)</u> | 11/21/2006 | J <u>(2)</u> | V | 41,115 | | | 11/21/2006 | <u>(4)</u> | Common Stock | 41,115 <u>(4)</u> |
| Series A-4 Preferred Stock | \$ 3.25 <u>(4)</u> | 11/21/2006 | J <u>(2)</u> | V | 1,026 | | | 11/21/2006 | <u>(4)</u> | Common Stock | 1,026 <u>(4)</u> |
| Series A-4 Preferred Stock | \$ 3.25 <u>(4)</u> | 11/21/2006 | J <u>(2)</u> | V | 21,879 | | | 11/21/2006 | <u>(4)</u> | Common Stock | 21,879 <u>(4)</u> |
| Series A-5 Preferred Stock | \$ 3.25 <u>(5)</u> | 11/21/2006 | J <u>(2)</u> | V | 3,082 | | | 11/21/2006 | <u>(5)</u> | Common Stock | 3,082 <u>(5)</u> |
| Series A-5 Preferred | \$ 3.25 <u>(5)</u> | 11/21/2006 | J <u>(2)</u> | V | 6,912 | | | 11/21/2006 | <u>(5)</u> | Common Stock | 6,912 <u>(5)</u> |

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| | | | | | | | | | |
|--------------------------------------|------------------------|------------|--------------------|--------|------------|----------------|--------------|-----------------------|--|
| Stock | | | | | | | | | |
| Series | | | | | | | | | |
| A-5 Preferred Stock | \$ 3.25 ⁽⁵⁾ | 11/21/2006 | J ⁽²⁾ V | 172 | 11/21/2006 | ⁽⁵⁾ | Common Stock | 172 ⁽⁵⁾ | |
| Series | | | | | | | | | |
| A-5 Preferred Stock | \$ 3.25 ⁽⁵⁾ | 11/21/2006 | J ⁽²⁾ V | 3,678 | 11/21/2006 | ⁽⁵⁾ | Common Stock | 3,678 ⁽⁵⁾ | |
| Common Stock Warrants (right to buy) | \$ 4.06 | 12/14/2006 | J ⁽⁶⁾ | 15,027 | 12/14/2006 | 11/23/2009 | Common Stock | 15,027 ⁽⁶⁾ | |
| Common Stock Warrants (right to buy) | \$ 4.06 | 12/14/2006 | J ⁽⁶⁾ | 33,698 | 12/14/2006 | 11/23/2009 | Common Stock | 33,698 ⁽⁶⁾ | |
| Common Stock Warrants (right to buy) | \$ 4.06 | 12/14/2006 | J ⁽⁶⁾ | 842 | 12/14/2006 | 11/23/2009 | Common Stock | 842 ⁽⁶⁾ | |
| Common Stock Warrants (right to buy) | \$ 4.06 | 12/14/2006 | J ⁽⁶⁾ | 17,933 | 12/14/2006 | 11/23/2009 | Common Stock | 17,933 ⁽⁶⁾ | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| BEAR STEARNS ASSET MANAGEMENT INC 383 MADISON AVENUE NEW YORK, NY 10179 | X | X | | |
| BEAR STEARNS COMPANIES INC 383 MADISON AVENUE NEW YORK, NY 10179 | X | X | | |
| Constellation Ventures Management II, LLC 383 MADISON AVENUE NEW YORK, NY 10179 | X | X | | |
| | X | X | | |

Friedman Clifford H
 C/O BEAR STEARNS ASSET MANAGEMENT, INC.
 383 MADISON AVENUE
 NEW YORK, NY 10179

BSC EMPLOYEE FUND VI LP
 383 MADISON AVENUE X X
 NEW YORK, NY 10179

CONSTELLATION VENTURE CAPITAL II LP
 383 MADISON AVENUE X X
 NEW YORK, NY 10179

CVC II Partners, LLC
 383 MADISON AVENUE X X
 NEW YORK, NY 10179

Constellation Venture Capital Offshore II, LP
 383 MADISON AVENUE X X
 NEW YORK, NY 10179

Signatures

Clifford H. Friedman, as Member of Constellation Ventures Management II, LLC, the
 General Partner of The BSC Employee Fund VI, L.P. 01/18/2007

__Signature of Reporting Person Date

Clifford H. Friedman, as Member of Constellation Ventures Management II, LLC, the
 General Partner of Constellation Venture Capital II, L.P. 01/18/2007

__Signature of Reporting Person Date

Clifford H. Friedman, as Senior Managing Director of Bear Stearns Asset Management Inc.,
 the Managing Member of CVC II Partners, L.L.C. 01/18/2007

__Signature of Reporting Person Date

Clifford H. Friedman, as Member of Constellation Ventures Management II, LLC, the
 General Partner of Constellation Venture Capital Offshore II, L.P. 01/18/2007

__Signature of Reporting Person Date

Kenneth L. Edlow, as Secretary of The Bear Stearns Companies Inc. 01/18/2007

__Signature of Reporting Person Date

Clifford H. Friedman, as Member of Constellation Ventures Management II, LLC 01/18/2007

__Signature of Reporting Person Date

Clifford H. Friedman, as Senior Managing Director of Bear Stearns Asset Management Inc. 01/18/2007

__Signature of Reporting Person Date

Clifford H. Friedman 01/18/2007

__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)

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The Series A-3 Preferred Stock is convertible into shares of Common Stock at any time at the election of the individual holders, initially at a ratio of one share of Common Stock for each share of Series A-3 Preferred Stock and subject to adjustment for certain dilutive issuances and for stock splits, stock dividends and similar events. The Series A-3 Preferred Stock is also automatically convertible pursuant to its terms. The Series A-3 Preferred Stock has no expiration date.

- (2) On November 21, 2006, the Issuer paid in-kind a semi-annual dividend to all holders of its Series A-3 Preferred Stock, Series A-4 Preferred Stock and Series A-5 Preferred Stock.

The Bear Stearns Companies, Inc. ("BSCI") is the sole managing member of Constellation Ventures Management II, LLC ("Management") and is the parent company of Bear Stearns Asset Management Inc. ("BSAM"). Mr. Clifford H. Friedman is a member of Management and a senior managing director of BSAM. Management is the sole managing general partner of The BSC Employee Fund VI, L.P. ("BSC"), the sole general partner of Constellation Venture Capital II, L.P. ("CVC") and the sole general partner of Constellation Venture Capital Offshore II, L.P. ("Offshore"). BSAM is the sole managing member of CVC II Partners, LLC ("CVCP") and is the investment adviser to BSC, CVC, Offshore and CVCP. Each Reporting Person disclaims beneficial ownership of any securities that exceed its pecuniary interest in the securities held by these entities.

- (4) The Series A-4 Preferred Stock is convertible into shares of Common Stock at any time at the election of the individual holders, initially at a ratio of one share of Common Stock for each share of Series A-4 Preferred Stock and subject to adjustment for certain dilutive issuances and for stock splits, stock dividends and similar events. The Series A-4 Preferred Stock is also automatically convertible pursuant to its terms. The Series A-4 Preferred Stock has no expiration date.

- (5) The Series A-5 Preferred Stock is convertible into shares of Common Stock at any time at the election of the individual holders, initially at a ratio of one share of Common Stock for each share of Series A-5 Preferred Stock and subject to adjustment for certain dilutive issuances and for stock splits, stock dividends and similar events. The Series A-5 Preferred Stock is also automatically convertible pursuant to its terms. The Series A-5 Preferred Stock has no expiration date.

- (6) On November 23, 2005, BSC, CVC, CVCP and Offshore (the "Constellation Funds") acquired an aggregate of 461,538 shares of Series A-5 Preferred Stock and warrants to acquire 67,500 shares of Common Stock with an exercise price of \$4.06 per share (the "Common Stock Warrants"), for an aggregate of \$1,500,000. The Common Stock Warrants were not exercisable until November 14, 2006, the date on which the Issuer's shareholders approved their exercisability. The exercise price of the Common Stock Warrants is subject to adjustment for stock splits, stock dividends and similar events, and cashless exercise is permitted.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.