

MTM Technologies, Inc.
Form 4
January 10, 2006

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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
**BEAR STEARNS COMPANIES
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)

12/10/2004

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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 Indirect Beneficial Ownership (Instr. 4)
			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 (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) or Disposed of (D)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. U

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	Derivative Security		(Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	T
			Code	V (A) (D)			
7% Convertible Secured Notes	\$ 3.25 ⁽¹⁾ <u>(2) (3)</u>	12/10/2004	P	256,878	12/10/2004 ⁽¹⁾⁽²⁾⁽³⁾	<u>(1)(2)(3)</u>	
7% Convertible Secured Notes	\$ 3.25 ⁽¹⁾ <u>(2) (3)</u>	12/10/2004	P	576,041	12/10/2004 ⁽¹⁾⁽²⁾⁽³⁾	<u>(1)(2)(3)</u>	
7% Convertible Secured Notes	\$ 3.25 ⁽¹⁾ <u>(2) (3)</u>	12/10/2004	P	306,542	12/10/2004 ⁽¹⁾⁽²⁾⁽³⁾	<u>(1)(2)(3)</u>	
7% Convertible Secured Notes	\$ 3.25 ⁽¹⁾ <u>(2) (3)</u>	12/10/2004	P	14,385	12/10/2004 ⁽¹⁾⁽²⁾⁽³⁾	<u>(1)(2)(3)</u>	
Common Stock Warrants (Right to Buy)	\$ 4.06 ⁽⁵⁾ <u>(5)</u>	12/10/2004	P	51,376 <u>(5)</u>	12/10/2004 ⁽⁵⁾	12/10/2008 ⁽⁵⁾	
Common Stock Warrants (Right to Buy)	\$ 4.06 ⁽⁵⁾ <u>(5)</u>	12/10/2004	P	115,208 <u>(5)</u>	12/10/2004 ⁽⁵⁾	12/10/2008 ⁽⁵⁾	
Common Stock Warrants (Right to Buy)	\$ 4.06 ⁽⁵⁾ <u>(5)</u>	12/10/2004	P	61,309 <u>(5)</u>	12/10/2004 ⁽⁵⁾	12/10/2008 ⁽⁵⁾	
Common Stock Warrants (Right to Buy)	\$ 4.06 ⁽⁵⁾ <u>(5)</u>	12/10/2004	P	2,877 ⁽⁵⁾ <u>(5)</u>	12/10/2004 ⁽⁵⁾	12/10/2008 ⁽⁵⁾	
7% Convertible Secured Notes	\$ 3.25 ⁽¹⁾ <u>(2) (3)</u>	03/11/2005	P	102,751	03/11/2005 ⁽¹⁾⁽²⁾⁽³⁾	<u>(1)(2)(3)</u>	
7%	\$ 3.25 ⁽¹⁾ <u>(2) (3)</u>	03/11/2005	P	230,416	03/11/2005 ⁽¹⁾⁽²⁾⁽³⁾	<u>(1)(2)(3)</u>	

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Convertible Secured Notes	<u>(2)</u> <u>(3)</u>						
7% Convertible Secured Notes	\$ 3.25 <u>(1)</u> <u>(2)</u> <u>(3)</u>	03/11/2005	P	122,617	03/11/2005	<u>(1)(2)(3)</u>	<u>(1)(2)(3)</u>
7% Convertible Secured Notes	\$ 3.25 <u>(1)</u> <u>(2)</u> <u>(3)</u>	03/11/2005	P	5,754	03/11/2005	<u>(1)(2)(3)</u>	<u>(1)(2)(3)</u>
Common Stock Warrants (Right to Buy)	\$ 4.06 <u>(6)</u>	03/11/2005	P	20,550 <u>(6)</u>	03/11/2005	<u>(6)</u>	03/11/2009 <u>(6)</u>
Common Stock Warrants (Right to Buy)	\$ 4.06 <u>(6)</u>	03/11/2005	P	46,084 <u>(6)</u>	03/11/2005	<u>(6)</u>	03/11/2009 <u>(6)</u>
Common Stock Warrants (Right to Buy)	\$ 4.06 <u>(6)</u>	03/11/2005	P	24,523 <u>(6)</u>	03/11/2005	<u>(6)</u>	03/11/2009 <u>(6)</u>
Common Stock Warrants (Right to Buy)	\$ 4.06 <u>(6)</u>	03/11/2005	P	1,151 <u>(6)</u>	03/11/2005	<u>(6)</u>	03/11/2009 <u>(6)</u>
7% Convertible Secured Notes	<u>(8)</u>	06/23/2005	C	371,417 <u>(8)</u>	<u>(8)</u>		<u>(8)</u>
7% Convertible Secured Notes	<u>(8)</u>	06/23/2005	C	832,892 <u>(8)</u>	<u>(8)</u>		<u>(8)</u>
7% Convertible Secured Notes	<u>(8)</u>	06/23/2005	C	443,226 <u>(8)</u>	<u>(8)</u>		<u>(8)</u>
7% Convertible Secured	<u>(8)</u>	06/23/2005	C	20,799 <u>(8)</u>	<u>(8)</u>		<u>(8)</u>

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- There will be no automatic conversion of the Series A-4 Preferred Stock unless at the time of such proposed conversion the issuer shall have on file with the SEC an effective registration statement with respect to the shares of Common Stock issued or issuable to the holders
- (3) (A) on conversion of the Series A-4 Preferred Stock then issued or issuable to such holders, (B) on exercise of all of the warrants to purchase Common Stock pursuant to the Purchase Agreement, and (C) on exercise of all the warrants to purchase Common Stock, and such shares of Common Stock have been listed on the Nasdaq Stock Market (or other national stock exchange or national over-the-counter bulletin board approved by the holders of a majority of the then outstanding shares of Series A-4 Preferred Stock.)

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

- The Warrants are exercisable at any time after the shareholders' approval and prior to December 10, 2008, at an exercise price of \$4.06 per share of Common Stock. The number of warrants issuable is equal to 20% of the number of shares of Common Stock issued or
- (5) issuable on conversion of Series A-4 Preferred Stock issued or issuable on conversion of the principal amount of the Notes acquired on December 10, 2004. As of December 10, 2004, the Warrants would be exercisable to purchase such number of shares of Common Stock reflected herein. The exercise price of the Warrants is subject to adjustment for stock splits, stock dividends and similar events. Cashless exercise is permitted.

- The Warrants are exercisable at any time after the shareholders' approval and prior to March 11, 2009, at an exercise price of \$4.06 per share of Common Stock. The number of warrants issuable is equal to 20% of the number of shares of Common Stock issued or issuable
- (6) on conversion of Series A-4 Preferred Stock issued or issuable on conversion of the principal amount of the Notes acquired on March 11, 2005. As of March 11, 2005, the Warrants would be exercisable to purchase such number of shares of Common Stock reflected herein. The exercise price of the Warrants is subject to adjustment for stock splits, stock dividends and similar events. Cashless exercise is permitted.
- (7) The Notes acquired on December 10, 2004, on which interest had accrued, are not included in this total.

- The Notes that were issued on 12/10/04 and 3/11/05 were automatically converted on the date of the shareholders' approval into Series
- (8) A-4 Preferred Stock. The interest accrued on the Notes was added to the principal of the Notes, and the entire outstanding principal and accrued interest on the Notes was automatically converted into Series A-4 Preferred Stock.

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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