

BPO Management Services
Form 3
June 25, 2007

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 *

Â CLEVELAND RUSSELL

(Last) (First) (Middle)

8080 N. CENTRAL
EXPRESSWAY,Â SUITE 210

(Street)

DALLAS,Â TXÂ 75206

(City) (State) (Zip)

2. Date of Event Requiring Statement

(Month/Day/Year)

06/13/2007

3. Issuer Name and Ticker or Trading Symbol

BPO Management Services [OTCBBPOM]

4. Relationship of Reporting Person(s) to Issuer

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

(Check all applicable)

☒ Director ☐ 10% Owner
☐ Officer ☐ Other
(give title below) (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 Beneficially Owned

1. Title of Security
(Instr. 4)

2. Amount of Securities Beneficially Owned
(Instr. 4)

3. Ownership Form:
Direct (D)
or Indirect (I)
(Instr. 5)

4. Nature of Indirect Beneficial Ownership
(Instr. 5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security
(Instr. 4)

2. Date Exercisable and Expiration Date
(Month/Day/Year)

Date Exercisable Expiration Date

3. Title and Amount of Securities Underlying Derivative Security
(Instr. 4)

Title Amount or Number of Shares

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security:
Direct (D)
or Indirect (I)

6. Nature of Indirect Beneficial Ownership
(Instr. 5)

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(Instr. 5)

A Warrant (right to buy)	06/12/2007	06/12/2010	Common Stock	1,041,667	\$ 0.9	I	shares held by RUS <u>(1)</u> <u>(2)</u>
A Warrant (right to buy)	06/12/2007	06/12/2010	Common Stock	1,041,667	\$ 0.9	I	shares owned by USSO <u>(1)</u> <u>(2)</u>
A Warrant (right to buy)	06/12/2007	06/12/2010	Common Stock	833,334	\$ 0.9	I	shares owned by RCG <u>(1)</u> <u>(2)</u>
A Warrant (right to buy)	06/12/2007	06/12/2010	Common Stock	416,667	\$ 0.9	I	shares held by PREM <u>(1)</u> <u>(2)</u>
B Warrant (right to buy)	06/12/2007	06/12/2012	Common Stock	2,083,334	\$ 1.25	I	shares held by RUS <u>(1)</u> <u>(2)</u>
B Warrant (right to buy)	06/12/2007	06/12/2012	Common Stock	2,083,334	\$ 1.25	I	shares held by USSO <u>(1)</u> <u>(2)</u>
B Warrant (right to buy)	06/12/2007	06/12/2012	Common Stock	1,666,667	\$ 1.25	I	shares held by RCG <u>(1)</u> <u>(2)</u>
B Warrant (right to buy)	06/12/2007	06/12/2012	Common Stock	833,334	\$ 1.25	I	Shares held by PREM <u>(1)</u> <u>(2)</u>
J Warrant (right to buy)	06/12/2007	06/12/2008	D-2 Preferred <u>(6)</u>	130,208	\$ 14.4	I	shares held by RUS <u>(1)</u> <u>(2)</u>
J Warrant (right to buy)	06/12/2007	06/12/2008	D-2 Preferred <u>(6)</u>	130,208	\$ 14.4	I	shares held by USSO <u>(1)</u> <u>(2)</u>
J Warrant (right to buy)	06/12/2007	06/12/2008	D-2 Preferred <u>(6)</u>	104,167	\$ 14.4	I	shares held by RCG <u>(1)</u> <u>(2)</u>
J Warrant (right to buy)	06/12/2007	06/12/2008	D-2 Preferred <u>(6)</u>	52,083	\$ 14.4	I	shares held by PREM <u>(1)</u> <u>(2)</u>
Series D Convertible Preferred	06/12/2007	Â <u>(3)</u>	Common Stock	2,083,334	\$ 0.6	I	Shares held by RUS <u>(1)</u> <u>(2)</u>
Series D Convertible Preferred	06/12/2007	Â <u>(3)</u>	Common Stock	2,083,334	\$ 0.6	I	shares held by USSO <u>(1)</u> <u>(2)</u>
Series D Convertible Preferred	06/12/2007	Â <u>(3)</u>	Common Stock	1,666,667	\$ 0.6	I	shares held by RCG <u>(1)</u> <u>(2)</u>
Series D Convertible Preferred	06/12/2007	Â <u>(3)</u>	Common Stock	833,334	\$ 0.6	I	shares held by PREM <u>(1)</u> <u>(2)</u>
C Warrant (right to buy)	Â <u>(4)</u>	06/12/2010	Common Stock	1,041,667	\$ 1.35	I	Shares held by RUS <u>(1)</u> <u>(2)</u>
C Warrant (right to buy)	Â <u>(4)</u>	06/12/2010	Common Stock	1,041,667	\$ 1.35	I	Shares held by USSO <u>(1)</u> <u>(2)</u>
C Warrant (right to buy)	Â <u>(4)</u>	06/12/2010		833,334	\$ 1.35	I	

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			Common Stock				Shares held by RCG ⁽¹⁾ ⁽²⁾
C Warrant (right to buy)	Â ⁽⁴⁾	06/12/2010	Common Stock	416,667	\$ 1.35	I	Shares held PREM ⁽¹⁾ ⁽²⁾
D Warrant (right to buy)	Â ⁽⁵⁾	06/12/2012	Common Stock	2,083,334	\$ 1.87	I	Shares held by RUS ⁽¹⁾ ⁽²⁾
D Warrant (right to buy)	Â ⁽⁵⁾	06/12/2012	Common Stock	2,083,334	\$ 1.87	I	Shares held by USSO ⁽¹⁾ ⁽²⁾
D Warrant (right to buy)	Â ⁽⁵⁾	06/12/2012	Common Stock	1,666,667	\$ 1.87	I	Shares held by RCG ⁽¹⁾ ⁽²⁾
D Warrant (right to buy)	Â ⁽⁵⁾	06/12/2012	Common Stock	833,334	\$ 1.87	I	Shares held by PREM ⁽¹⁾ ⁽²⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CLEVELAND RUSSELL 8080 N. CENTRAL EXPRESSWAY SUITE 210 DALLAS, TX 75206	Â X	Â	Â	Â
BFS US SPECIAL OPPORTUNITIES TRUST PLC 8080 N. CENTRAL EXPRESSWAY SUITE 210, LB-59 DALLAS, TX 75206	Â	Â X	Â	Â
Premier RENN US Emerging Growth Fund Ltd 8080 N. CENTRAL EXPRESSWAY SUITE 210, LB-59 DALLAS, TX 75206	Â	Â X	Â	Â
RENAISSANCE US GROWTH INVESTMENT TRUST PLC C/O RENN CAPITAL GROUP 8080 N. CENTRAL EXPRESSWAY, SUITE 210 DALLAS, TX 75206	Â	Â X	Â	Â
RENAISSANCE CAPITAL GROWTH & INCOME FUND III INC C/O RENN CAPITAL GROUP 8080 N. CENTRAL EXPRESSWAY, SUITE 210 DALLAS, TX 75206	Â	Â X	Â	Â

Signatures

Russell Cleveland, President of RENN Capital Group, Inc., Investment
Advisor

06/23/2007

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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).

Russell Cleveland is President of RENN Capital Group, Inc., Investment Advisor to Renaissance Capital Growth & Income Fund III, Inc.,
- (1) US Special Opportunities Trust PLC, Renaissance US Growth Investment Trust PLC, and Premier RENN US Emerging Growth Fund Limited, and therefore may be considered beneficial owner of such shares. Russell Cleveland disclaims such beneficial ownership.
- (2) In this report "RUS" means Renaissance US Growth Investment Trust PLC, "RCG" means Renaissance Capital Growth & Income Fund III, Inc., "USSO" means US Special Opportunities Trust PLC, and "PREM" means Premier RENN US Emerging Growth Fund Limited.

There is no set termination date for the right of conversion except to the extent triggered by the Redemption Provision in Section 8 of the
- (3) Certificate of Designation of the Relative Rights and Preferences of the Series D Convertibles Preferred Stock of BPO Management Services, Inc.

The C Warrant may each be exercised in whole or in part prior to the expiration of the warrant for such number of shares of common
- (4) stock equal to 50% of the number of shares of common stock issuable upon conversion of the shares of preferred stock that have been exercised pursuant to the Series J warrant.

The D Warrant may each be exercised in whole or in part prior to the expiration of the warrant for such number of shares of common
- (5) stock equal to 100% of the number of shares of common stock issuable upon conversion of the shares of preferred stock that have been exercised pursuant to the Series J warrant.
- (6) Each share of Series D-2 Preferred Stock is convertible into 16 shares of the issuer's common 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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