

BEAR STEARNS COMPANIES INC

Form 424B2

January 11, 2007

<b>Title of Each Class of Securities Offered</b>	<b>Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee(1)</b>
Medium-Term Notes, Series B	\$ 400,000,000	\$ 42,800

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(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended. The filing fee of \$42,800 is being paid in connection with the registration of these Medium-Term Notes, Series B.

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\*\* Commencing February 9, 2007 and on the 9th of each month thereafter up to and including the Maturity date.

The distribution of Notes will conform to the requirements set forth in Rule 2720 of the NASD Conduct Rules. We intend to treat the Notes as variable rate debt instruments that bear interest that is unconditionally payable at least annually at a single qualified floating rate for U.S. federal income tax purposes.

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### CERTAIN ERISA CONSIDERATIONS

Investors subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code") and other benefit plan investors should review the section entitled "ERISA Considerations" in the base prospectus. Investors should note the discussion of the new statutory exemption in the recently enacted Pension Protection Act of 2006 for transactions involving certain parties in interest or disqualified persons who are such merely because they are a service provider to a plan subject to ERISA and/or Section 4975 of the Code (a "Plan"), or because they are related to a service provider. Generally, the new exemption would be applicable if the party to the transaction with the Plan is a party in interest or a disqualified person to the Plan but is not (i) an employer, (ii) a fiduciary who has or exercises any discretionary authority or control with respect to the investment of the Plan assets involved in the transaction, (iii) a fiduciary who renders investment advice (within the meaning of ERISA and Section 4975 of the Code) with respect to those assets, or (iv) an affiliate of (i), (ii) or (iii). Any Plan fiduciary relying on this new statutory exemption (Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code) and purchasing securities on behalf of a Plan will be deemed to represent that (x) the fiduciary has made a good faith determination that the Plan is paying no more than, and is receiving no less than, adequate consideration in connection with the transaction and (y) neither we nor our affiliates directly or indirectly exercises any discretionary authority or control or renders investment advice (as defined above) with respect to the assets of the Plan which such fiduciary is using to purchase the Notes, both of which are necessary preconditions to utilizing this new exemption. Any purchaser that is a Plan is encouraged to consult with counsel regarding the application of the administrative and statutory exemptions (including the new exemption discussed herein) described in the base prospectus.

A fiduciary of a Plan or a plan subject to provisions of applicable federal, state or local law similar to the foregoing provisions of ERISA or the Code ("Similar Law") purchasing the Notes, or in the case of certain IRAs, the grantor or other person directing the purchase of the Notes for the IRA, shall be deemed to represent, by its purchase, that its purchase, holding, and disposition of the Notes does not constitute a non-exempt prohibited transaction under Section 406 of ERISA, Section 4975 of the Code or a non-exempt violation of Similar Law.

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