

CLEVELAND RUSSELL
Form 5
February 09, 2009

FORM 5

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

OMB APPROVAL

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Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
CLEVELAND RUSSELL

(Last) (First) (Middle)

8080 N CENTRAL EXPWY, STE 210 LB 59

(Street)

DALLAS, TX 75206

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
BPO Management Services [HAXS]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2008

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 Reporting

(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 at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--|--|---|
| Series D preferred stock | 12/31/2008 | 12/31/2008 | I | 104,167 (2) D | \$ 0 (2) 0 (2) | I | Shares are held by Renaissance Capital Growth & Income Fund III, Inc. (2) |
| Series D-2 | 12/31/2008 | 12/31/2008 | I | 104,167 D | \$ 0 0 (2) | I (1) | shares are |

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| | | | | | | | | | |
|--------------------|------------|------------|---|----------------------|---|--------------------|--------------|--------------|--|
| Preferred | | | | <u>(2)</u> | | <u>(2)</u> | | | held by Renaissance Capital Growth & Income Fund III, Inc. <u>(1)</u> |
| Series F Preferred | 12/31/2008 | 12/31/2008 | I | 73,335 <u>(2)</u> | D | \$ 0 <u>(2)</u> | 0 <u>(2)</u> | I <u>(1)</u> | shares are held by Renaissance Capital Growth & Income Fund III, Inc. <u>(1)</u> |

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

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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 Derivative Security | 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) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | | (A) (D) | Date Exercisable Expiration Date | Title Am Nur Sha |
| warrant (right to buy) | \$ 0.9 <u>(2)</u> | 12/31/2008 | 12/31/2008 <u>(2)</u> | J | Â 833,334 <u>(2)</u> | 06/12/2007 06/12/2010 | common stock <u>(2)</u> |
| warrant (right to buy) | \$ 1.25 | 12/31/2008 | 12/31/2008 | J | Â 1,666,667 <u>(2)</u> | 06/12/2008 06/12/2012 | common stock <u>(2)</u> |
| warrant (right to buy) | \$ 1.1 | 12/31/2008 | 12/31/2008 | J | Â 833,334 <u>(2)</u> | 06/12/2008 06/12/2012 | common stock <u>(2)</u> |

| | | | | | | | | | | |
|---------------------------|---------|------------|------------|---|---|-------------------------|------------|------------|----------------------------------|-----|
| warrant (right to buy) | \$ 0.01 | 12/31/2008 | 12/31/2008 | J | Â | 1,666,668 <u>(2)</u> | 06/12/2007 | 06/12/2010 | Series B preferred <u>(2)</u> | 1,6 |
|---------------------------|---------|------------|------------|---|---|-------------------------|------------|------------|----------------------------------|-----|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| CLEVELAND RUSSELL 8080 N CENTRAL EXPWY STE 210 LB 59 DALLAS, TX 75206 | Â X | Â | Â | Â |
| RENAISSANCE CAPITAL GROWTH & INCOME FUND III INC 8080 N CENTRAL EXPWY., SUITE 210 LB 59 DALLAS, TX 75206 | Â | Â X | Â | Â |

Signatures

/s/ Russell Cleveland by Rene Jones attorney
in fact

02/09/2008

 **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).

- Russell Cleveland is President of RENN Capital Group, Inc., Investment Advisor to Renaissance Capital Growth & Income Fund III,
- (1) Inc., Global Special Opportunities Trust Plc, Renaissance US Growth Investment Trust Plc, & Premier RENN Entrepreneurial Fund Ltd. and therefore may be considered beneficial owner of such shares. Russell Cleveland disclaims such beneficial ownership.
 - (2) All Preferred Shares and warrants exchanged for Series B Preferred in a warrant flush.

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