

180 Connect Inc.
Form 4
November 06, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
LAURUS MASTER FUND LTD

(Last) (First) (Middle)

C/O LAURUS CAPITAL
MANAGEMENT, LLC, 335
MADISON AVENUE, 10TH
FLOOR

(Street)

NEW YORK, NY 10017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
180 Connect Inc. [CNCT]

3. Date of Earliest Transaction
(Month/Day/Year)
11/02/2007

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)
Disclaimed Group

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	11/02/2007		S		500	D	\$ 2.45
					2,782,007	I	(3) (4)
							By Erato Corporation (3) (4)
Common Stock	11/05/2007		S		3,000	D	\$ 2.47
					2,779,007	I	(3) (4)
							By Erato Corporation (3) (4)
Common Stock	11/05/2007		S		25,000	D	\$ 2.45
					2,754,007	I	(1) (2) (3) (4)
							By Erato Corporation (1) (2) (3) (4)

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

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(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 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 Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LAURUS MASTER FUND LTD C/O LAURUS CAPITAL MANAGEMENT, LLC 335 MADISON AVENUE, 10TH FLOOR NEW YORK, NY 10017		X		Disclaimed Group
Erato CORP C/O LAURUS CAPITAL MANAGEMENT, LLC 335 MADISON AVENUE, 10TH FLOOR NEW YORK, NY 10017		X		Disclaimed Group
LAURUS CAPITAL MANAGEMENT LLC 825 THIRD AVENUE, 14TH FLOOR NEW YORK, NY 10022		X		Disclaimed Group
Valens U.S. SPV I, LLC 335 MADISON AVENUE, 10TH FLOOR NEW YORK, NY 10017		X		Disclaimed Group
Valens Capital Management, LLC 335 MADISON AVENUE, 10TH FLOOR NEW YORK, NY 10017		X		Disclaimed Group
GRIN DAVID C/O LAURUS CAPITAL MANAGEMENT, LLC		X		Disclaimed Group

335 MADISON AVENUE, 10TH FLOOR
NEW YORK, NY 10017

GRIN EUGENE
C/O LAURUS CAPITAL MANAGEMENT, LLC
335 MADISON AVENUE, 10TH FLOOR X Disclaimed Group
NEW YORK, NY 10017

Signatures

/s/ Eugene Grin, Director of Laurus Master Fund, Ltd.	11/06/2007
__Signature of Reporting Person	Date
/s/ Eugene Grin, Chairman, President and Secretary of Erato Corporation	11/06/2007
__Signature of Reporting Person	Date
/s/ David Grin, Principal of Laurus Capital Management, LLC	11/06/2007
__Signature of Reporting Person	Date
/s/ David Grin, Authorized Signatory of Valens U.S. SPV I, LLC	11/06/2007
__Signature of Reporting Person	Date
/s/ Eugene Grin, Authorized Signatory of Valens U.S. SPV I, LLC	11/06/2007
__Signature of Reporting Person	Date
/s/ David Grin, Principal of Valens Capital Management, LLC	11/06/2007
__Signature of Reporting Person	Date
/s/ Eugene Grin, Principal of Valens Capital Management, LLC	11/06/2007
__Signature of Reporting Person	Date
/s/ David Grin	11/06/2007
__Signature of Reporting Person	Date
/s/ Eugene Grin	11/06/2007
__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) As of November 5, 2007, Erato Corporation, a Delaware corporation ("Erato"), held (i) a warrant (the "July Warrant") to acquire 591,023 shares of the common stock, par value \$0.0001 per share (the "Shares"), of 180 Connect Inc., a Delaware corporation (the "Company"), at an exercise price of \$4.35 per Share, subject to certain adjustments, and (ii) 2,754,007 Shares. In addition, as of November 5, 2007, Laurus Master Fund, Ltd., a Cayman Islands corporation (the "Fund"), held a warrant to acquire 250,000 Shares, at an exercise price of \$4.01 per Share, subject to certain adjustments, and Valens U.S. SPV I, LLC, a Delaware limited liability company ("Valens U.S." and together with Erato and the Fund, the "Investors"), held a July Warrant to acquire 8,977 Shares.
- (2) The July Warrant contains an issuance limitation prohibiting the Investors from exercising or converting those securities to the extent that such exercise would result in beneficial ownership by the Investors of more than 9.99% of the Shares then issued and outstanding.
- (3) Erato is a wholly owned subsidiary of the Fund. The Fund is managed by Laurus Capital Management, LLC, a Delaware limited liability company ("LCM"). Valens U.S. is managed by Valens Capital Management, LLC, a Delaware limited liability company ("VCM"). Eugene Grin and David Grin, through other entities, are the controlling principals of LCM and VCM, and share sole voting and investment power over all securities of the Company held by the Investors. Thus, for the purposes of Reg. Section 240.13d-3, the Fund, Valens U.S., LCM, VCM, Eugene Grin and David Grin may be deemed to be beneficial owners of more than 10% of the Shares. Each of Erato and the Fund disclaims beneficial ownership of the securities of the Company held by Valens U.S., except to the extent of such person's pecuniary interest in Valens U.S., if any. Erato disclaims beneficial ownership of the securities of the Company held by the Fund,

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except to the extent of such person's pecuniary interest in the Fund, if any.

- Valens U.S. disclaims beneficial ownership of the securities of the Company held by each of Erato and the Fund, except to the extent of such person's pecuniary interest in Erato and the Fund, if any. Each of LCM, VCM, Eugene Grin and David Grin disclaims beneficial
- (4) ownership of the securities of the Company held by the Investors except to the extent of such person's pecuniary interest in the Investors, if any. The filing of this statement shall not be deemed an admission that any person is, for purposes of Section 16 of the Securities Exchange Act of 1934 or otherwise, the beneficial owner of any equity securities covered by or described in this statement.

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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