

BREAKAWAY SOLUTIONS INC

Form 4

August 08, 2001

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FORM 4

[] Check box if no longer
subject to Section 16.
Form 4 or Form 5
obligations may continue.
See Instruction 1(b)

OMB APPROVAL
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U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*

SCP Private Equity Partners II, L.P.

(Last) (First) (Middle)

435 Devon Park Drive, Building 300

(Street)

Wayne, PA 19087

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Breakaway Solutions, Inc. (BWAY)

3. IRS or Social Security Number
of Reporting Person (Voluntary)

4. Statement for Month/Year

07/2001

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

6. Relationship of Reporting Person to Issuer (Check all applicable)

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

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7. 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)	3. Transaction Code (Instr. 8)	4. Secu of (
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5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)

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

*If the form is filed by more than one reporting person, see Instruction 4(b)(v).

(Over)
SEC 2270 (7-96)

FORM 4 (continued)

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)	4. Trans Code 8)
Warrant to Purchase Series A Preferred Stock	\$70.00 (FN1)	7/03/01	P

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)
Presently	Series A Preferred Stock (FN 1)	20,000 (FN 1)

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9. Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4)	10. Ownership of Derivative Security: Direct (D) or In-direct (1) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
(FN 1)	(FN 1)	(FN 1)

Explanation of Responses:

(FN1) On July 3, 2001, the Issuer issued to SCP Private Equity Partners II, L.P. ("SCP") a warrant (the "Warrant") to purchase up to 20,000 shares of the Issuer's Series A Preferred Stock, \$.0001 par value (the "Series A Preferred"). The Warrant was issued to SCP in consideration of SCP's execution and delivery to Silicon Valley Bank (the "Bank") of a guaranty (the "Guaranty") of the Issuer's obligations under the Loan and Security Agreement dated July 3, 2001, between the Issuer and the Bank (the "Loan Agreement") and the Master Lease Agreement dated as of September 28, 1999, between the Issuer and the Bank. SCP's execution and delivery of the Guaranty was a condition to the Bank's execution and delivery of the Loan Agreement. The initial exercise price of the Warrant and the number of shares of Series A Preferred Stock underlying the Warrant are subject to adjustment upon certain events as set forth in the Warrant. Each share of Series A Preferred is initially convertible into 100 shares of common stock of the Issuer, subject to increase for dividends and dilutive issuances as set forth in the Issuer's Designation of the Series A Preferred Stock. In addition to the Warrant, as of the end of the month, the following derivative securities of the Issuer are beneficially owned by the reporting persons: (1) warrants to purchase up to 35,063,060 shares of the Issuer's common stock and (2) 214,286 shares of Series A Preferred. For purposes of Section 16 reporting, SCP is deemed to be a direct beneficial owner of the derivative securities of the Issuer disclosed herein. SCP Private Equity II, LLC (the "Manager") is deemed to be an indirect beneficial owner of the derivative securities of the Issuer disclosed herein because of a contractual agreement with SCP which grants the Manager the power to make voting and investment decisions regarding the securities held by SCP.

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/ Wayne B. Weisman

August 7, 2001

**Signature of Reporting Person
Name: Wayne B. Weisman

Date

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Title: A Manager of SCP Private Equity II, LLC, the Manager of SCP Private Equity II General Partner, L.P., a General Partner of the Reporting Person

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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Joint Filer Information

Name: SCP Private Equity II, LLC

Address: 435 Devon Park Drive, Building 300
Wayne, Pennsylvania 19087

Designated Filer: SCP Private Equity Partners II, L.P.

Issuer & Ticker Symbol: Breakaway Solutions, Inc. (BWAY)

Date of Evening Requiring Statement: July 3, 2001

Signature: By: /s/ Wayne B. Weisman

Name: Wayne B. Weisman
Title: Manager