

Bonds.com Group, Inc.  
Form SC 13D  
July 12, 2011

# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## SCHEDULE 13D

Under the Securities Exchange Act of 1934

### **Bonds.com Group, Inc.**

(Name of Issuer)

**COMMON STOCK, \$.0001 PAR VALUE PER SHARE**

(Title of Class of Securities)

**098003106**

(CUSIP Number)

**Roland T. Kelly**

**11100 Santa Monica Blvd., 12<sup>th</sup> Floor**

**Los Angeles, CA 90025**

**(310) 914-1373**

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

Edgar Filing: Bonds.com Group, Inc. - Form SC 13D

*Copy to:*

**David Nichols, Esq.**

**Cahill Gambino LLP**

**405 Lexington Avenue, 7<sup>th</sup> Floor**

**New York, NY 10174**

**(646) 434 1661**

**July 1, 2011**

**(Date of Event Which Requires Filing of This Statement)**

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

**SCHEDULE 13D**

**1 NAME OF REPORTING PERSONS**

Jefferies & Company, Inc

**2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP**

(a)  (b)

**3 SEC USE ONLY**

**4 SOURCE OF FUNDS**

WC

**5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)**

..

**6 CITIZENSHIP OR PLACE OF ORGANIZATION**

Delaware

**7 SOLE VOTING POWER**  
NUMBER OF

**8 SHARED VOTING POWER**  
SHARES

**BENEFICIALLY**

**OWNED BY** 57,142,857\*

**9 SOLE DISPOSITIVE POWER**  
EACH

**10 SHARED DISPOSITIVE POWER**  
REPORTING

**PERSON**

**WITH** 57,142,857\*

**11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON**

57,142,857\*  
12 **CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES**

..  
13 **PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)**

35.4\*\*  
14 **TYPE OF REPORTING PERSON\***

CO, BD

\* Represents the number of shares of common stock that would be beneficially owned upon full conversion of the shares of Series D Preferred Stock and exercise of all common stock warrants held as of July 1, 2011. See Item 5.

\*\* Calculated based on 104,354,190 shares of common stock outstanding as of May 20, 2011 as disclosed by the Company in its most recent quarterly report for the period ended March 31, 2011 filed on May 20, 2011.

**SCHEDULE 13D**

**1 NAME OF REPORTING PERSONS**

Jefferies Group, Inc.

**2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP**

(a)  (b)

**3 SEC USE ONLY**

**4 SOURCE OF FUNDS**

N/A

**5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)**

..

**6 CITIZENSHIP OR PLACE OF ORGANIZATION**

Delaware

**7 SOLE VOTING POWER**  
NUMBER OF

**8 SHARED VOTING POWER**  
SHARES

**BENEFICIALLY**

**OWNED BY** 57,142,857\*

**9 SOLE DISPOSITIVE POWER**  
EACH

**10 SHARED DISPOSITIVE POWER**  
REPORTING

**PERSON**

**WITH**

57,142,857\*

**11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON**

57,142,857\*  
12 **CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES**

..  
13 **PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)**

35.4  
14 **TYPE OF REPORTING PERSON\***

CO, HC

\* Represents the number of shares of common stock that would be beneficially owned upon full conversion of the shares of Series D Preferred Stock and exercise of all common stock warrants held as of July 1, 2011. See Item 5.

\*\* Calculated based on 104,354,190 shares of common stock outstanding as of May 20, 2011 as disclosed by the Company in its most recent quarterly report for the period ended March 31, 2011 filed on May 20, 2011.

---

**Item 1. Security and Issuer**

This statement on Schedule 13D (this Schedule 13D) relates to the common stock, par value \$0.0001 per share (the Common Stock), of Bonds.com Group, Inc. (the Company or the Issuer). The address of the Company's principal executive offices is 529 Fifth Avenue, New York, New York 10017.

**Item 2. Identity and Background**

(a) This Schedule 13D is filed on behalf of Jefferies & Company, Inc. (Jefferies), and Jefferies Group, Inc. (Jefferies Group); and together with Jefferies, the Reporting Persons. Schedule I hereto, with respect to Jefferies Group, and Schedule II hereto, with respect to Jefferies, list the directors and executive officers or persons holding equivalent positions (the Scheduled Persons) of each Reporting Person. As a result of certain of the matters described in Item 4, it is possible that the Reporting Persons may be deemed to constitute a group, within the meaning of Section 13(d)(3) of the Exchange Act and the rules and regulations promulgated thereunder by the Securities and Exchange Commission, with other stockholders of the Issuer owning Series D Preferred Stock (the Series D Stockholders) that are parties to the Stockholders Agreement (defined below). If the Reporting Persons were deemed to constitute a group with the other Series D Stockholders, the aggregate number of shares of Common Stock that would be deemed beneficially owned collectively by the Reporting Persons and the Series D Stockholders, based on available information, is approximately 341,356,824, which represents approximately 76.6% of the shares of Common Stock outstanding. Calculation of the percentage of the shares of Common Stock outstanding held by the Series D Stockholders is based upon the Issuer's most recent quarterly report for the period ended March 31, 2011 filed on May 20, 2011, which states that 104,354,190 shares of Common Stock were outstanding as of May 20, 2011, plus the shares of Common Stock issuable upon conversion of Series D Preferred Stock and Series D-1 Preferred Stock and exercise of warrants to purchase Common Stock, in each case owned by the Series D Stockholders (including the Reporting Persons), all based on available information. The ownership of Common Stock reported by the Reporting Persons in this Schedule 13D does not include any shares of Common Stock owned by the Series D Stockholders other than the Reporting Persons. Each of the Reporting Persons disclaims beneficial ownership of all shares of Common Stock or securities convertible or exercisable into Common Stock other than any shares or other securities reported herein as being owned by such Reporting Person.

(b) The address of the principal business and principal office of each of the Reporting Persons and each Scheduled Person is c/o Jefferies Group, 520 Madison Avenue, New York, New York 10022.

(c) The principal business of Jefferies Group is 520 Madison Avenue, New York, NY 10022. The principal business address of Jefferies is 520 Madison Avenue, New York, NY 10022. The principal occupation or employment of each Scheduled Person is to act as a director and/or officer of one or both of the Reporting Persons.

(d) During the last five years, none of the Reporting Persons and, to the knowledge of the Reporting Persons, none of the Scheduled Persons, has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the last five years, none of the Reporting Persons and, to the knowledge of the Reporting Persons, none of the Scheduled Persons, has been a party to a civil proceeding or a judicial or administrative body of competent jurisdiction and as result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Each of the Reporting Persons is organized under the laws of Delaware. Schedule I and Schedule II set forth the citizenship of each of the Scheduled Persons who is a natural person.

---

**Item 3. Source and Amount of Funds or Other Consideration**

The source of the funds used by Jefferies to purchase securities of the Company on June 23, 2011 as described herein was working capital of Jefferies. The total amount paid by Jefferies to purchase such securities was \$2,000,000. No part of the purchase price was borrowed for the purpose of acquiring such securities.

On June 23, 2011, Jefferies entered into a Unit Purchase Agreement (the "Jefferies Purchase Agreement") with the Company, which was substantially similar to the Unit Purchase Agreement entered into on February 2, 2011 (the "Purchase Agreement") by the Company, GFNet Inc. ("GFI") and Oak Investment Partners XII, Limited Partnership ("Oak"), a copy of which is attached hereto as Exhibit 2. Pursuant to the terms of the Jefferies Purchase Agreement, at the closing of the transaction on June 23, 2011, Jefferies purchased 20 units (each, a "Unit"), each of which was comprised of (a) warrants to purchase 1,428,571.429 shares of Common Stock for the initial exercise price of \$0.07 per share (the "Common Stock Warrants") and (b) 100 shares of the Company's Series D Convertible Preferred Stock (the "Series D Preferred Stock"). As a result, Jefferies acquired (i) an aggregate of 2,000 shares of Series D Preferred Stock, which, but for the Conversion Restriction (as defined below), would have been initially convertible into approximately 28,571,428 shares of Common Stock and (ii) Common Stock Warrants to purchase approximately 28,571,428 shares of Common Stock, subject to the Exercise Restriction (as defined below).

The Series D Preferred Stock included in the Units were subject to a restriction (the "Conversion Restriction") that they could not be converted into shares of Common Stock until the Company increased the number of authorized shares of Common Stock from 300,000,000 to 1,000,000,000 (the "Authorized Share Increase"). The Common Stock Warrants included in the Units were subject to a restriction (the "Exercise Restriction") that they could not be exercised for shares of Common Stock until the Authorized Share Increase occurred. On July 1, 2011, an amendment to the Issuer's Certificate of Incorporation increasing the number of shares of Common Stock authorized from 300,000,000 to 1,500,000,000 was approved by the stockholders of the Issuer at their annual meeting and was thereafter filed with the Delaware Secretary of State. Accordingly, the Authorized Share Increase occurred on July 1, 2011.

**Item 4. Purpose of the Transaction**

The Units were acquired by Jefferies for investment purposes. The Reporting Persons intend to review their investment in the Company on a continuing basis and will routinely monitor a wide variety of investment considerations, including, without limitation, current and anticipated future trading prices for the Common Stock and other securities of the Company, if any, the Company's financial position, operations, assets, prospects, strategic direction and business and other developments affecting the Company, the Company's management, the Company's board of directors, Company-related competitive and strategic matters, conditions in the securities and financial markets, tax considerations, general market, economic and industry conditions, other investment and business opportunities available to the Reporting Persons and other factors considered relevant. The Reporting Persons may from time to time take such actions with respect to their investment in the Company as they deem appropriate, including, without limitation, (i) acquiring additional shares or disposing of some or all of their shares of Series D Preferred Stock or Common Stock (or other securities of the Company) or engaging in discussions with the Company concerning future transactions with the Company, including, without limitation, extraordinary corporate transactions and acquisitions or dispositions of shares of capital stock or other securities of the Company, (ii) changing their current intentions with respect to any or all matters referred to in this Item 4 and (iii) engaging in hedging, derivative or similar transactions with respect to any securities of the Company. Any acquisition or disposition of the Company's securities may be made by means of open-market purchases or dispositions, privately negotiated transactions, direct acquisitions from or dispositions to the Company or a subsidiary thereof or otherwise, in each case subject to certain provisions of the Jefferies Purchase Agreement and the Stockholders Agreement.

As part of the Reporting Persons' continuing evaluation of, and preservation of the value of, their investment in the Series D Preferred Stock, Common Stock or other securities of the Company, the Reporting Persons may from time to time engage in discussions with, respond to inquiries from or make proposals to various persons, including, without limitation, the Company's management, the Company's board of directors, existing or potential strategic partners of the Company, other shareholders, industry analysts and other relevant parties concerning matters with respect to the Company and the Reporting Persons' investment in the Series D Preferred Stock, Common Stock and other securities of the Company, including, without limitation, the business, operations, prospects, governance, management, strategy and the future plans of the Company.



*Series D Certificate of Designation*

The terms of the Series D Preferred Stock are set forth in the Certificate of Designation with respect to the Series D Convertible Preferred Stock and Series D-1 Convertible Preferred Stock, which was filed with the Secretary of State of the State of Delaware on February 2, 2011 (as amended by the Certificate of Correction filed with the Secretary of State of the State of Delaware on June 20, 2011, the Series D Certificate ). A copy of the Series D Certificate is attached hereto as Exhibit 3.

Pursuant to the Series D Certificate, each share of Series D Preferred Stock, and all Accruing Dividends (as defined below) thereon that remain unpaid at the time of conversion, shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) the sum of (x) the Stated Value (\$1,000 subject to adjustment) applicable to such shares of Series D Preferred Stock and (y) all Accruing Dividends thereon that remain unpaid as of such date by (ii) the Optional Conversion Price in effect at the time of conversion (such quotient is referred to as a Conversion Rate ). The initial Optional Conversion Price is \$0.07. If the Company issues shares of Common Stock (or is deemed to issue shares of Common Stock) for a per share price less than the Optional Conversion Price then in effect for the Series D Preferred Stock prior to August 2, 2012, such Optional Conversion Price will be reduced by a customary weighted average anti-dilution formula (subject to certain exceptions). The Series D Preferred Stock is mandatorily convertible into shares of Common Stock if and when (a) shares of the Company are listed on a national securities exchange and trade with a closing price of at least 200% of the Optional Conversion Price then in effect for a period of 180 consecutive trading days on average trading volume of not less than 250,000 shares per day over the subject 180-day trading period and (b) Common Stock of the Company has an aggregate market value of at least \$40,000,000 as of the last day of such 180-trading day period (collectively, the Mandatory Conversion Condition ).

The holders of shares of Series D Preferred Stock are entitled to receive dividends at the rate per annum of 8%, compounded annually, on each share of Series D Preferred Stock (subject to adjustment for any stock splits, stock dividends, recapitalizations or the like) ( Accruing Dividends or Accrued Dividends ). Such dividends shall accrue from day to day, whether or not earned or declared, and shall be cumulative. Dividends shall be payable only when, as, and if declared by the board of directors of the Company. No dividend or other distribution shall be paid, declared or set aside for payment on any share of Common Stock or any series of preferred stock expressly made junior to the Series D Preferred Stock unless all dividends with respect to each outstanding share of the Series D Preferred Stock have been or are simultaneously declared and paid in cash.

Pursuant to the Series D Certificate, in the event of the Company's liquidation, dissolution or winding up or upon a merger or acquisition of the Company by another company or person, the holders of the Series D Preferred Stock will be entitled to a liquidation preference before any amounts are paid to the holders of Common Stock. The liquidation preference per share is equal to the greater of (i) 120% of the sum of (x) the Stated Value of such share plus (y) the Accruing Dividends relating thereto, and (ii) the amount which such holder would otherwise have received in respect of such share had all holders of Series D Preferred Stock and Series D-1 Preferred Stock converted their shares of Series D Preferred Stock and Series D-1 Preferred Stock into shares of Common Stock.

Each holder of outstanding shares of Series D Preferred Stock shall be entitled to cast a number of votes equal to the number of whole shares of Common Stock into which the shares of Series D Preferred Stock are convertible as of the record date for determining stockholders entitled to vote on such matter. Holders of Series D Preferred Stock shall vote together with the holders of Common Stock, and with holders of any other series of Preferred Stock the terms of which so provide, as a single class. The holders of Series D Preferred Stock and Series D-1 Preferred Stock have the right to approve (by a vote of at least 93% of the Series D Preferred Stock and Series D-1 Preferred Stock voting together as a single class) certain actions, including the creation or issuance of any class of preferred stock on par or senior to the Series D Preferred Stock or Series D-1 Preferred Stock. In addition, the holders of Series C Preferred Stock, Series D Preferred Stock and Series D-1 Preferred Stock have the right to approve (by a majority of the shares of Series C Preferred Stock, Series D Preferred Stock and Series D-1 Preferred Stock voting together as a single class) certain corporate actions, including certain changes of control and the incurrence of indebtedness for borrowed money unless the Issuer would have, after giving effect to such incurrence, an EBITDA-to-interest ratio of at least 2:1.

---

*Common Stock Warrants*

The Common Stock Warrants have an initial exercise price of \$0.07 per share and include provisions (a) permitting the holder to exercise such Common Stock Warrant through cashless net exercise election and (b) providing that, for a period of 18 months following the date of the Purchase Agreement, if the Company issues shares of Common Stock (or is deemed to issue shares of Common Stock) for a price per share less than \$0.07, then the exercise price of the Common Stock Warrants will be reduced by a customary weighted-average anti-dilution formula (subject to certain exempted issuances). The Common Stock Warrants are exercisable for a period of five years from the date of the Authorized Share Increase. The terms of the Common Stock Warrant are set forth in the Common Stock Warrant attached hereto at Exhibit 4.

*Stockholders Agreement*

On February 2, 2011, in connection with the consummation of the transactions contemplated under the Purchase Agreement, GFI, Oak, UBS Americas, Inc. ( UBS ), Bonds MX, LLC ( Bonds MX ) and Robert Jones ( Jones ) entered into a Series D Stockholders Agreement (the Initial Stockholders Agreement ) with the Company, a copy of which is attached hereto as Exhibit 6. On March 7, 2011, two additional purchasers of Series D Preferred Stock became parties to the Initial Stockholders Agreement. On June 23, 2011, the Company, Jefferies, GFINet, Oak, UBS and Bonds MX entered into Amendment No. 1 to Series D Stockholders Agreement, a copy of which is attached hereto as Exhibit 7 ( Amendment No. 1 and together with the Initial Stockholders Agreement, the Stockholders Agreement ).

Pursuant to the Stockholders Agreement, in the event that any of Oak, GFI, UBS, Bonds MX, Jones, Jefferies or such additional purchasers of Series D Preferred Stock (the Series D Stockholders ) seeks to sell its shares of Series D Preferred Stock or Series D-1 Preferred Stock or warrants to purchase Common Stock, each other Series D Stockholder shall have the right to sell a pro rata portion of its similar securities along with the selling Series D Stockholder. Alternatively, the Company, at its option, may redeem the applicable securities from the other Series D Stockholders and the selling Series D Stockholder would be permitted to sell his, her or its shares free of such obligation. The foregoing obligations do not apply to transfers pursuant to Rule 144, transfers to certain permitted transferees, bona fide pledges and pledges outstanding as of the date of the Stockholders Agreement. Such obligations also do not apply to sales of less than 10% of the securities held by the selling Series D Stockholder or following satisfaction of the Mandatory Conversion Condition.

The Stockholders Agreement requires the Company to offer the Series D Stockholders the right to participate on a pro rata basis (based on its fully diluted shares of preferred stock relative to the total number of fully diluted shares of the Company) in future issuances of equity securities by the Company. The foregoing right does not apply to issuance of equity securities (a) in connection with any acquisition of assets of another person, whether by purchase of stock, merger, consolidation, purchase of all or substantially all of the assets of such person or otherwise approved by the Company's Board of Directors and the requisite holders of the Series D Preferred Stock to the extent required under the Series D Certificate, (b) Exempted Securities (as such term is defined in the Series D Certificate), (c) in an underwritten public offering with gross proceeds of at least \$50,000,000 and a market capitalization of at least \$175,000,000, and (d) approved by holders of a majority of the shares of Series D Preferred Stock. The Company may elect to consummate the issuance of equity securities and subsequently provide the Series D Stockholders their right to participate. The foregoing right to participate under the Stockholders Agreement shall terminate on such date as of which less than 25% of the shares of Series D Preferred Stock remain outstanding.

Pursuant to the Stockholders Agreement, for so long as the Series D Stockholders collectively own at least 25% of the shares of Series D Preferred Stock issued pursuant to the Purchase Agreement, the Jefferies Purchase Agreement or the Exchange Agreement, or 25% of the shares of Common Stock issued upon the conversion thereof, (a) the Company is required to nominate and use its reasonable best efforts to cause to be elected and cause to remain a director on the Company's Board of Directors and (b) each Series D Stockholder is required to vote all shares of voting capital stock of the Company owned by it, so as to elect, and not to vote to remove, one person designated in writing collectively by the Series D Stockholders (the Series D Designee ). Subject to the following

sentence, the consent of each of the Series D Stockholders holding at least 8% of the outstanding shares of Series D Preferred as of the date of the Stockholders Agreement shall be required in respect of the designation of the Series D Designee. Notwithstanding the foregoing, for so long as Oak continues to own at least 25% of the shares of Series D Preferred acquired by it pursuant to the Purchase Agreement or 25% of the Common Stock issued upon the conversion thereof, the Series D Designee shall be designated by Oak in its sole discretion. Subject to applicable law and the rules and regulations of the Securities and Exchange Commission and any securities exchange or quotation system on which the Company's securities are listed or quoted, the Series D Designee shall have a right to be a member of each principal committee of the Company's Board of Directors.

Pursuant to the Stockholders Agreement, for so long as Oak continues to own at least 25% of the shares of Series D Preferred Stock acquired by it pursuant to the Purchase Agreement or 25% of the Common Stock issued upon the conversion thereof, (a) the Company is required to nominate and use its reasonable best efforts to cause to be elected and cause to remain a director on the Company's Board of Directors and (b) each Series D Stockholder is required to vote all shares of voting capital stock of the Company owned by it, in each case so as to elect, and not to vote to remove, one person designated by Oak (the Oak Designee), which Oak Designee shall, for the avoidance of doubt, be in addition to Oak's rights in respect of the Series D Designee.

So long as any Series D Stockholder holding at least 8% of the outstanding shares of Series D Preferred or Series D-1 Preferred as of the date of the Stockholders Agreement owns at least 25% of the shares of Series D Preferred Stock or Series D-1 Preferred Stock, respectively, acquired by it pursuant to the Purchase Agreement, the Jefferies Purchase Agreement or Exchange Agreement, such Series D Stockholder shall have the right to appoint one non-voting representative to attend each meeting of the Board of Directors and each committee thereof (an Investor Observer). Each Investor Observer will be entitled to receive copies of all notices, minutes, consents and other materials and information that the Company provides to the Board; provided that (x) the Investor Observer shall execute a confidentiality agreement in a form reasonably acceptable to the Company and the investor designating such Investor Observer, and (y) the Company may require such Investor Observer to be recused from any meeting and may redact such materials on advice of counsel in connection with matters involving the attorney-client privilege or conflicts of interest.

Additionally, if, after the date of the Stockholders Agreement, any person acquires shares of Series A Preferred, Series D Preferred or Series D-1 Preferred, the Company shall use its reasonable best efforts to have such stockholder become a party to the Stockholders Agreement. Additionally, the Company is prohibited from issuing any shares of Series D Preferred or Series D-1 Preferred without the prior consent of the Series D Stockholders (other than as permitted by the Purchase Agreement and the Jefferies Purchase Agreement) and unless such purchaser becomes a party to the Stockholders Agreement.

#### *Registration Rights Agreement*

On February 2, 2011, in connection with the consummation of the transactions contemplated under the Purchase Agreement, GFINet, Oak, UBS, Bonds MX and Jones entered into an Amended and Restated Registration Rights Agreement (the Amended and Restated Registration Rights Agreement) with the Company, a copy of which is attached hereto at Exhibit 5. On March 7, 2011 two additional purchasers of Series D Preferred Stock, and on June 23, 2011 Jefferies, each executed a joinder to the Amended and Restated Registration Rights Agreement. The Amended and Restated Registration Rights Agreement requires the Company to file a registration statement with Securities and Exchange Commission covering the resale of all of the shares of Common Stock issuable upon conversion of the shares of Series D Preferred and Series D-1 Preferred and the exercise of the Common Stock Warrants sold to Oak, GFI, UBS (with respect to Common Stock issuable upon conversion of shares of Series D-1 Preferred only), Bonds MX, Jones and Jefferies. The Company is required to file such registration statement not later than August 7, 2011.

The Amended and Restated Registration Rights Agreement also provides Oak, GFI, UBS, Bonds MX, Jones, Jefferies and such two additional purchasers piggy back registration rights with respect to certain registration statements filed by the Company for its own sale of shares of Common Stock or resales of shares of Common Stock by other stockholders, and also contains other customary undertakings and restrictions with respect to the Company.

---

*Voting Agreements*

On February 2, 2011, Oak, GFI and Beacon Capital Strategies, Inc. ( Beacon ) entered into a voting agreement (the First Voting Agreement ) with certain other stockholders of the Company whereby such other stockholders agreed to vote their shares in favor of the Authorized Share Increase. In addition, on June 2, 2011, Oak, GFI and Beacon entered into another voting agreement (the Second Voting Agreement and collectively with the First Voting Agreement (the Voting Agreements )) with certain other stockholders of the Company whereby such other stockholders agreed to vote their shares in favor of the Authorized Share Increase. On June 23, 2011, Jefferies and the parties to the First Voting Agreement entered into Amendment No. 1 to Voting Agreement, pursuant to which Jefferies became a party to the First Voting Agreement on terms substantially the same as those applicable to Oak, GFI and Beacon.

*Additional Disclosure*

Except as set forth above in this Schedule 13D, none of the Reporting Persons nor, to the knowledge of the Reporting Persons, any of the Scheduled Persons, has any plans or proposals that relate to or would result in: (a) the acquisition by any person of additional securities of the Company, or the disposition of securities of the Company; (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries; (c) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries; (d) any change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board; (e) any material change in the present capitalization or dividend policy of the Company; (f) any other material change in the Company's business or corporate structure; (g) changes in the Company's charter, by-laws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person; (h) causing a class of securities of the Company to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (i) a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act; or (j) any action similar to any of those enumerated above.

The summary contained herein of the Jefferies Purchase Agreement, Purchase Agreement, Series D Certificate, Common Stock Warrant, Registration Rights Agreement and Stockholders Agreement is not intended to be complete and is qualified in its entirety by reference to the full text of such agreements, copies of which are filed as Exhibits 2-7 hereto, respectively, and which are incorporated herein by reference.

**Item 5. Interest in Securities of the Issuer**

All of the computations and share amounts used herein reflect the effectiveness of the Authorized Share Increase. The percentages used herein are calculated based on information provided by the Company that there were 104,354,190 shares of Common Stock outstanding as disclosed by the Company in its Quarterly Report on Form 10-Q filed by the Company on May 20, 2011 (SEC File No. 000-51076). The number of shares of Common Stock that may be deemed to be beneficially owned by the Reporting Persons, and the percentage of the outstanding shares of Common Stock represented thereby, in each case as reported in this Schedule 13D, are based on the number of shares of Common Stock owned by the Reporting Persons on July 1, 2011.

(a) As of the close of business on July 1, 2011, the Reporting Persons directly held or beneficially owned 2,000 shares of Series D Preferred and a Warrant for 28,571,428 shares of Common Stock. As of July 1, 2011, such shares of Series D Preferred are convertible into 28,571,428 shares of Common Stock. As a result of certain of the matters described in Item 4, it is possible that the Reporting Persons may be deemed to constitute a group, within the meaning of Section 13(d)(3) of the Exchange Act and the rules and regulations promulgated thereunder by the Securities and Exchange Commission, with the Series D Stockholders. If the Reporting Persons were deemed to constitute a group with the other Series D Stockholders, the aggregate number of shares of Common Stock that would be deemed beneficially owned collectively by the Reporting Persons and the Series D Stockholders, based on available information, is approximately 341,356,824 which represents approximately 76.6% of the shares of Common Stock outstanding. The shares of Common Stock outstanding is based upon 104,354,190 shares of Common Stock outstanding as of May 20, 2011, as disclosed by the Issuer in the Issuer's most recent quarterly report for the period ended March 31, 2011 filed on May 20, 2011, plus shares of Common Stock issuable upon

conversion of Series D Preferred Stock, conversion of Series D-1 Preferred Stock and exercise of warrants, in each case, owned by the Series D Stockholders (including the Reporting Persons), all based on available information. The ownership of Common Stock reported by the Reporting Persons in this Schedule 13D does not include any shares of Common Stock owned by the Series D Stockholders (other than the Reporting Persons). Each of the Reporting Persons disclaims beneficial ownership of all shares of Common Stock or securities convertible or exercisable into Common Stock other than any shares or other securities reported herein as being owned by it, him or her, as the case may be.

(b) Each Reporting Person may be deemed to share the power to (a) dispose or to direct the disposition of the 57,142,857 shares of Common Stock the Reporting Persons may be deemed to beneficially own (and convert into) as of July 1, 2011 and (b) vote or direct the vote of the 57,142,857 shares of Common Stock the Reporting Persons may be deemed to beneficially own for voting purposes as of July 1, 2011.

(c) Other than the purchase of Units described in Items 3 and 4, none of the Reporting Persons, nor, to the Reporting Persons' knowledge, any of the Scheduled Persons, has effected any transaction in Common Stock during the past sixty (60) days.

(d) Except as set forth in this Item 5, no person other than each respective record owner of the securities referred to herein is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities.

(e) Not applicable.

#### **Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer**

Pursuant to Rule 13d-1(k) promulgated under the Exchange Act, the Reporting Persons have entered into an agreement on July 1, 2011, with respect to the joint filing of this Schedule 13D and any amendment or amendments hereto (the Joint Filing Agreement ). The Joint Filing Agreement is attached hereto as Exhibit 1.

Jefferies and certain stockholders of the Issuer are parties to the First Voting Agreement and the information contained in Items 3 and 4 of this Schedule 13D relating to the First Voting Agreement is incorporated herein by reference.

The responses set forth in Items 3 and 4 hereof are incorporated by reference in their entirety.

Except as referenced above or as described in Items 3 and 4 hereof, there are no contracts, arrangements, understandings or relationships among the persons named in Item 2 or between such persons and any other person with respect to any securities of the Company.

#### **Item 7. Material To Be Filed as Exhibits**

The following is a list of exhibits filed by the Reporting Persons as part of this Schedule 13D. For exhibits that previously have been filed, the Reporting Persons incorporate those exhibits herein by reference. The exhibit table below includes the Form Type and Filing Date of the previous filing and the original exhibit number in the previous filing which is being incorporated by reference herein. Documents which are incorporated by reference to filings by parties other than GFI are identified in the footnotes to this table.

Exhibit 1	Joint Filing Agreement, dated as of July 11, 2011, by and among Jefferies Group, Inc. and Jefferies & Company, Inc.
Exhibit 2	Unit Purchase Agreement, dated as of February 2, 2011, by and among the Company, GFINet and Oak (incorporated herein by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Bonds.com Group, Inc. on February 8, 2011) (SEC File No. 000-51076).

- Exhibit 3 Series D Certificate of Designations of Bonds.com Group, Inc., dated February 2, 2011 (incorporated herein by reference to Exhibit 3.2 of the Current Report of Form 8-K filed by Bonds.com Group, Inc. on February 8, 2011) (SEC File No. 000-51076).
- Exhibit 4 Common Stock Warrant, dated February 2, 2011 (incorporated herein by reference to Exhibit 10.5 of the Current Report of Form 8-K filed by Bonds.com Group, Inc. on February 8, 2011) (SEC File No. 000-51076).
- Exhibit 5 Amended and Restated Registration Rights Agreement, dated February 2, 2011, by and among the Company, GFINet, Oak, UBS, Bonds MX and Jones (incorporated herein by reference to Exhibit 10.4 of the Current Report of Form 8-K filed by Bonds.com Group, Inc. on February 8, 2011) (SEC File No. 000-51076).
- Exhibit 6 Stockholders Agreement, dated February 2, 2011, by and among the Company, GFINet, Inc., Oak Investment Partners XII, UBS Americas, Inc., Bonds MX, LLC and Robert Jones (incorporated herein by reference to Exhibit 10.3 of the Current Report of Form 8-K filed by Bonds.com Group, Inc. on February 8, 2011) (SEC File No. 000-51076).
- Exhibit 7 Amendment No. 1 to Stockholders Agreement, dated June 23, 2011, by and among the Company, GFINet, Inc., Oak, UBS, Bonds MX, Jones and Jefferies (incorporated herein by reference to Exhibit 10.4 of the Current Report of Form 8-K filed by Bonds.com Group, Inc. on June 28, 2011) (SEC File No. 000-51076).

**SIGNATURES**

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: July 11, 2011

**JEFFERIES GROUP, INC.**

By: /s/ Roland T. Kelly  
Name: Roland T. Kelly  
Title: Assistant Secretary

Dated: July 11, 2011

**JEFFERIES & COMPANY, INC.**

By: /s/ Roland T. Kelly  
Name: Roland T. Kelly  
Title: Managing Director and Associate General Counsel

- 12 -

SCHEDULE I

Jefferies Group, Inc.

Name and Position of	Principal Business	Citizenship
Officer or Director	Address	Citizenship
Richard B. Handler (Chairman of the Board and Chief Executive Officer)	(1)	U.S.
Brian P. Friedman (Director and Chairman of the Executive Committee)	(1)	U.S.
W. Patrick Campbell (Director)	(1)	U.S.
Ian M. Cumming (Director)	(1)	U.S.
Richard G. Dooley (Director)	(1)	U.S.
Robert E. Joyal (Director)	(1)	U.S.
Michael T. O Kane (Director)	(1)	U.S.
Joseph S. Steinberg (Director)	(1)	U.S.
Peregrine C. Broadbent (Executive Vice President and Chief Financial Officer)	(1)	U.S.
Charles J. Hendrickson (Treasurer)	(1)	U.S.
Michael J. Sharp (Executive Vice President, General Counsel and Secretary)	(1)	U.S.

(1) Jefferies Group, Inc., 520 Madison Avenue, New York, NY 10022



**SCHEDULE II**

Jefferies & Company, Inc.

<b>Name and Position of</b>	<b>Principal Business</b>	<b>Citizenship</b>
<b>Officer or Director</b>	<b>Address</b>	
Richard B. Handler (Director, Chairman and Chief Executive Officer)	(1)	U.S.
Brian P. Friedman (Director, Chairman of Executive Committee)	(1)	U.S.
Peregrine C. Broadbent (Director, Executive Vice President and Chief Financial Officer)	(1)	U.S.
Charles J. Hendrickson (Treasurer and Managing Director)	(1)	U.S.
Michael J. Sharp (Executive Vice President, General Counsel and Secretary)	(1)	U.S.

(1) Jefferies & Company, Inc., 520 Madison Avenue, New York, NY 10022

**JOINT FILING AGREEMENT**

THIS JOINT FILING AGREEMENT is entered into as of July 11, 2011, by and among the parties hereto. The undersigned hereby agree that the Statement on Schedule 13D with respect to the common stock, par value \$0.0001 per share (the "Common Stock") of Bonds.com Group, Inc. and any amendment thereafter signed by each of the undersigned shall be (unless otherwise determined by the undersigned) filed on behalf of each of the undersigned pursuant to and in accordance with the provisions of Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended.

Dated: July 11, 2011

**JEFFERIES GROUP, INC.**

By: /s/ Roland T. Kelly  
Roland T. Kelly  
Assistant Secretary

Dated: July 11, 2011

**JEFFERIES & COMPANY, INC.**

By: /s/ Roland T. Kelly  
Roland T. Kelly  
Managing Director and Associate General Counsel