

CLINE J MICHAEL  
Form 4  
January 18, 2011

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
CLINE J MICHAEL

2. Issuer Name and Ticker or Trading Symbol  
NEOMEDIA TECHNOLOGIES INC [NEOM]

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

(Last) (First) (Middle)  
51 MADISON AVENUE, 31ST FLOOR  
  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
01/13/2010

\_\_\_\_ Director  
\_\_\_\_ Officer (give title below)  
 10% Owner  
\_\_\_\_ Other (specify below)

NEW YORK, NY 10010

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_\_ Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**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 Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/13/2011		C		1,202,749	A	\$ 0.094	6,443,299	I	See Footnote (2)
Common Stock	01/13/2011		S		115,847	D	\$ 0.094	6,327,452	I	See Footnote (2)
Common Stock	01/14/2011		S		94,314	D	\$ 0.082	6,233,138	I	See Footnote (2)
Common Stock	01/18/2011		S		526,491	D	\$	5,706,647	I	See

Stock 0.052 Footnote (2)

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. SEC 1474 (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. Amount or Number of Shares
Series C Convertible Preferred Stock	(1)	01/13/2011		C	70	(1) (1)	Common Stock	1,202,749

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CLINE J MICHAEL 51 MADISON AVENUE 31ST FLOOR NEW YORK, NY 10010		X		
JMC Holdings, L.P. 51 MADISON AVENUE 31ST FLOOR NEW YORK, NY 10010		X		

## Signatures

By: /s/ JMC Holdings, L.P., by J. Michael Cline, General Partner

01/18/2011

Signature of Reporting Person

Date

By: /s/ J. Michael Cline

01/18/2011

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).

Each share of the Series C Convertible Preferred Stock, par value \$0.01 per share (the "Preferred Stock"), represented herein is convertible into 17,182.13 shares of common stock, par value \$0.001 per share, of the Issuer (the "Common Stock"), and had no expiration date. The Certificate of Designation of the Preferred Stock provides that each share of the Preferred Stock is convertible into

- (1) Common Stock of the Issuer equal to the quotient of the liquidation amount divided by the conversion price. The liquidation amount is equal to one thousand dollars (\$1,000) per share of Preferred Stock. The conversion price is equal to, at the option of the holder, the lesser of (i) fifty cents (\$0.50) or (ii) 97% of the lowest closing bid price of the Common Stock for the one hundred twenty-five (125) trading days immediately preceding the date of conversion, as quoted by Bloomberg LP.

JMC Holdings, L.P. directly beneficially owns the reported securities. J. Michael Cline is the general partner of JMC Holdings, L.P. J.

- (2) Michael Cline and JMC Holdings, L.P. disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Issuer's shares in which such persons have no actual pecuniary interest.

Note: File three copies of this Form, one of which must be manually signed. If space 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.