

Halo Technology Holdings, Inc.

Form S-4

April 05, 2006

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**As filed with the Securities and Exchange Commission on April 5, 2006**  
**Registration No. 333-**

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington D.C. 20549**

**FORM S-4**  
**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**HALO TECHNOLOGY HOLDINGS, INC.**  
*(Exact name of Registrant as specified in its charter)*

<b>NEVADA</b> <i>(State Or Other Jurisdiction Of Incorporation Or Organization)</i>	<b>7372</b> <i>(Primary Standard Industrial Classification Code Number)</i>	<b>88-0467845</b> <i>(I.R.S. Employer Identification No.)</i>
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**HALO TECHNOLOGY HOLDINGS, INC.**  
**200 Railroad Avenue, Third Floor**  
**Greenwich, Connecticut 06830**  
**(203) 422-2950**  
*(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)*  
**Ernest Mysogland, Esq.**

**HALO TECHNOLOGY HOLDINGS, INC.**  
**200 Railroad Avenue, Third Floor**  
**Greenwich, Connecticut 06830**  
**(203) 422-2950**  
*(Name, address, including zip code and telephone number, including area code, of agent for service)*  
**Copies to:**

**Todd E. Wille**  
**President and Chief Executive Officer**  
**Unify Corporation**  
**2101 Arena Blvd., Suite 100**  
**Sacramento, California 95834**  
**(916) 928-6400**

**Kevin A. Coyle, Esq.**  
**DLA Piper Rudnick Gray Cary US LLP**  
**400 Capitol Mall, Suite 2400**  
**Sacramento, California 95814**  
**(916) 930-3200**

**Approximate date of commencement of proposed sale to public:** As soon as practicable after the effective date of this Registration Statement and all other conditions under the merger agreement (described in the proxy statement/prospectus herein) are satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of Securities to be Registered</b>	<b>Amount to be Registered</b>	<b>Proposed Maximum Offering Price Per Share</b>	<b>Proposed Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee</b>
Common Stock, par value \$0.00001 per share	14,619,070(1)	Not Applicable	\$12,377,703(2)	\$1,324.41(3)

- (1) The number of shares being registered is based upon (x) an estimate of the maximum number of shares of common stock, par value \$0.00001 per share, of Unify Corporation ( Unify ) presently outstanding or issuable or expected to be issued in connection with the merger of Unify Corporation and a wholly-owned subsidiary of the registrant including shares issuable upon the exercise of Unify options and warrants prior to the date the merger is expected to be consummated and multiplied by (y) the exchange ratio of 0.437 common shares, par value \$0.00001 per share, of the registrant, for each share of common stock of Unify.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(f) under the Securities Act of 1933, as amended. The proposed maximum aggregate offering price is the product of (x) \$0.37 (the average of the high and low prices of Unify common stock, as quoted on the Over-The-Counter Bulletin Board on March 31, 2006), and (y) 33,453,250, the estimated maximum number of shares of Unify common stock that may be exchanged for the common shares of the registrant being registered.
- (3) Calculated by multiplying the proposed maximum aggregate offering price of securities to be registered by 0.000107.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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The information in this proxy statement/ prospectus is not complete and may be changed. We may not sell the securities offered by this proxy statement/ prospectus until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/ prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction where an offer or solicitation is not permitted.

**PRELIMINARY SUBJECT TO COMPLETION DATED APRIL 5, 2006**

**Proxy Statement for Special Meeting of Stockholders of  
UNIFY CORPORATION**

**Prospectus for Up to 14,619,070 Shares of Common Stock of  
HALO TECHNOLOGY HOLDINGS, INC.**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

To the Holders of Unify common stock:

Halo Technology Holdings, Inc. ( Halo ) and Unify Corporation ( Unify ) have entered into an agreement and plan of merger pursuant to which Halo will acquire Unify if the conditions to the merger are met. The combination of Halo and Unify is expected to substantially strengthen Halo s suite of enterprise software offerings while providing Unify with access to greater resources, a larger installed base of customers and significant product synergies with several of the Halo portfolio companies.

If the merger is completed, Unify will become a wholly-owned subsidiary of Halo. At the effective time of the merger (the Effective Time ), each issued and outstanding share of Unify common stock (other than those exercising appraisal rights) shall be converted into the right to receive 0.437 of shares of Halo common stock (the Exchange Ratio ). Further, each outstanding and unexercised Unify stock option that has an exercise price of less than \$1.00 per share shall become and represent an option to purchase shares of Halo common stock as adjusted for the Exchange Ratio. All other outstanding Unify options shall be cancelled at the Effective Time.

The value of the merger consideration to be received in exchange for each share of Unify common stock will fluctuate with the market price of the Halo common stock. Based on the closing sale price for Halo s common stock on March 14, 2006 (the day of public announcement of the proposed merger), the 0.437 Exchange Ratio represented approximately \$0.65 in value for each share of Unify common stock. Based on the closing sale price of the Halo common stock on March 29, 2006, the last trading day before the printing of this proxy statement/ prospectus for which it was practicable to obtain this information, the 0.437 exchange ratio represented approximately \$0.53 in value for each share of Unify common stock. Upon completion of the merger, Unify s former stockholders will own approximately 62% of the then outstanding Halo common stock, based on the number of shares of Halo and Unify outstanding on March 23, 2006. However, it is a condition to closing the merger that the holders of outstanding shares of Halo s preferred stock and holders of certain Halo convertible promissory notes convert these securities into shares of common stock of Halo. Therefore, if such conditions are met, upon completion of the merger (assuming that no shares have yet been issued in the InfoNow transaction described herein), Unify s former stockholders will own approximately 29% of the then outstanding Halo common stock based on the number of shares of Unify outstanding on March 23, 2006 and the number of shares of Halo estimated to be outstanding upon the conversion of preferred stock and certain convertible notes. Halo s shareholders will continue to own their existing shares, which will not be affected by the merger. Halo common shares are listed on the OTC/ BB under the symbol HALO . Unify common stock is listed on the OTC/ BB under the symbol UNFY. We urge you to obtain current market quotations for the shares of Halo and Unify.

**YOUR VOTE IS VERY IMPORTANT.** The proposed merger cannot be completed unless it is approved by the affirmative vote of the holders of a majority of the shares of Unify common stock. Whether or not you plan to attend the special meeting of Unify stockholders, please take the time to vote by completing and mailing the enclosed proxy card. If you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be counted as a vote in favor of the merger. If you do not return your card, or you do not instruct your broker how to vote any shares held for you in street name, it will have the same effect as a vote against the merger. If you decide to attend the special meeting and wish to change your proxy vote, you may do so by voting in person at the meeting. Please note,

however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote in person at the special meeting, you must obtain from the record holder a proxy issued in your name.

**Unify's board of directors has approved and adopted the merger agreement and determined that the merger is advisable, fair to and in the best interests of Unify and its stockholders and recommends that Unify stockholders vote FOR adoption of the merger agreement.**

In lieu of receiving the merger consideration, Unify stockholders who properly preserve their rights are entitled under Delaware law to an appraisal of and payment for their shares of Unify common stock if the merger is completed.

Only stockholders who hold shares of Unify common stock at the close of business on \_\_\_\_\_, 2006 will be entitled to vote at the special meeting. If the merger agreement is adopted by the Unify stockholders, the parties intend to close the merger as soon as possible after the special meeting and after all of the other conditions to closing the merger are satisfied or waived, if permissible under applicable law.

If the proposed merger is completed, you will be sent written instructions for exchanging your certificates of Unify common stock for the merger consideration. Please do not send in your certificates until you have received these instructions.

**This proxy statement/ prospectus explains the merger in greater detail and provides you with detailed information concerning Halo, Unify and the special meeting. Please give all of the information contained in this proxy statement/ prospectus your careful attention. In particular, you should carefully consider the discussion of the risk factors relating to the proposed merger in the section entitled Risk Factors beginning on page 29 of this proxy statement/ prospectus.**

On behalf of Unify's board of directors, I thank you for your support and urge you to **VOTE FOR ADOPTION** of the merger agreement.

Sincerely,

Steven D. Whiteman  
*Chairman*

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in the merger or determined if this proxy statement/ prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The date of this proxy statement/ prospectus is \_\_\_\_\_, 2006. This proxy statement/ prospectus and the form of proxy are first being mailed to the stockholders of Unify on or about \_\_\_\_\_, 2006.

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**UNIFY CORPORATION**  
**2101 Arena Blvd., Suite 100**  
**Sacramento, CA 95834**  
**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**  
**TO BE HELD \_\_\_\_\_, 2006**

**NOTICE IS HEREBY GIVEN** that a special meeting of stockholders of Unify Corporation, a Delaware corporation, will be held on \_\_\_\_\_, 2006 at \_\_\_\_\_ at \_\_\_\_\_ a.m. local time, for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of March 14, 2006, by and among Warp Technology Holdings, Inc., operating under the name Halo Technology Holdings, UCA Merger Sub Inc., a wholly-owned subsidiary of Halo, and Unify Corporation, as described in more detail in the proxy statement/ prospectus that accompanies this notice.

2. To consider and vote on a proposal to authorize the proxy holders to vote to adjourn or postpone the special meeting, in their sole discretion, for the purpose of soliciting additional votes for the adoption of the merger agreement.

3. To transact such other business as may properly come before the special meeting.

Unify's board of directors has fixed the close of business on \_\_\_\_\_, 2006 as the record date for the determination of stockholders entitled to notice of and to vote at the special meeting and at any adjournments or postponements thereof. All stockholders are cordially invited to attend the special meeting, but only stockholders of record on \_\_\_\_\_, 2006 are entitled to notice of and to vote at the special meeting. A list of such stockholders will be available for inspection at the special meeting and at Unify's principal executive offices during ordinary business hours for the ten-day period prior to the special meeting. Adoption of the merger agreement will require the affirmative vote of Unify stockholders representing a majority of the outstanding shares of Unify common stock entitled to vote at the special meeting. Authorizing the proxy holders to vote to adjourn or postpone the special meeting for the purpose of soliciting additional votes for the adoption of the merger agreement will require the affirmative vote of Unify stockholders representing a majority of the shares of Unify common stock present and entitled to vote at the special meeting.

**The board of directors of Unify has determined that the merger is advisable, fair to and in the best interests of the Unify stockholders and recommends that you vote to adopt the merger agreement and for the other matters proposed for approval at the special meeting. The affirmative vote of a majority of the outstanding shares of Unify common stock on the record date is required to adopt the merger agreement.**

Unify stockholders have the right to dissent from the merger and obtain payment in cash of the fair value of their shares of common stock under applicable provisions of Delaware law. In order to perfect dissenters' rights, stockholders must give written demand for appraisal of their shares before the taking of the vote on the merger at the special meeting and must not vote in favor of the merger. A copy of the applicable Delaware statutory provision is included as Annex D to the attached proxy statement/ prospectus and a summary of this provision can be found in the section entitled "Appraisal Rights for Unify Stockholders" beginning on page 74 of the attached proxy statement/ prospectus.

Please do not send your stock certificates in at this time. If the merger is completed, you will be sent instructions regarding the surrender of your stock certificates.

By Order of the Board of Directors:

Steven D. Whiteman  
*Chairman*

\_\_\_\_\_, 2006  
Sacramento, California

**Whether or not you plan to attend the annual meeting in person, please complete, date, sign and promptly return the enclosed proxy in the enclosed envelope, which requires no postage. You may revoke your proxy at any time before the vote is taken by delivering to the secretary of Unify a written revocation or a proxy with a later date or by voting your shares in person at the annual meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote in person at the special meeting, you must obtain from the record holder a proxy issued in your name.**

**EACH VOTE IS IMPORTANT. PLEASE COMPLETE, SIGN, DATE AND RETURN YOUR PROXY CARD.**

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**QUESTIONS AND ANSWERS ABOUT THE MERGER**

*The following are some questions that you, as a stockholder of Unify, may have regarding the merger and the other matters being considered at the special meeting and brief answers to those questions. We urge you to read carefully the remainder of this proxy statement/ prospectus, including the documents attached to this proxy statement/ prospectus, because the information in this section does not provide all the information that might be important to you with respect to the merger and the other matters being considered at the Unify special meeting. Additional important information is also contained in the annexes that are incorporated by reference in this proxy statement/ prospectus.*

**Q: Why am I receiving this proxy statement/ prospectus?**

A: Unify and Halo have agreed to the acquisition of Unify by Halo pursuant to the terms of a merger agreement that is described in this proxy statement/ prospectus. A copy of the merger agreement is attached to this proxy statement/ prospectus as Annex A. In order to complete the merger, Unify stockholders must approve and adopt the merger agreement and the transactions contemplated thereby. This proxy statement/ prospectus contains important information about the merger, the merger agreement and the special meeting, which you should read carefully. The enclosed voting materials allow you to vote your shares without attending the special meeting. Your vote is very important. We encourage you to vote as soon as possible. Halo stockholders are not required to vote to approve and adopt the merger agreement and the transactions contemplated thereby. Halo is not asking its stockholders for a proxy and Halo stockholders are requested not to send us a proxy.

**Q: What is the purpose of this document?**

A: This document serves as both a proxy statement of Unify and a prospectus of Halo. As a proxy statement, it is provided to you because Unify's board of directors is soliciting your proxy for use at the Unify special meeting of stockholders called to consider and vote on the merger agreement. As a prospectus, it is provided to you because Halo is offering to exchange shares of its common stock for shares of Unify common stock in the merger.

**Q: What will be the impact of the merger?**

A: If the merger is completed, Unify will become a wholly-owned subsidiary of Halo. By becoming part of Halo, which is a holding company whose subsidiaries operate enterprise software and information technology businesses, Unify's ability to develop software, provide services, market its services and expand its business is expected to be enhanced. However, Unify will also become part of a much larger enterprise of which Unify management will not have control, and the ability of Unify to achieve positive results for its stockholders will depend on the success of Halo, and not of Unify as a separate company. Descriptions of anticipated impact of the merger, as well the balance of this proxy statement/ prospectus, contain forward-looking statements about events that are not certain to occur as described, or at all, and you should not place undue reliance on these statements. Please carefully read the section entitled "Forward-Looking Statements" beginning on page 46 of this proxy statement/ prospectus. Halo's business is subject to risks, the occurrence of which may also impact such forward-looking statements. You should read the section entitled "Risk Factors" beginning on page 29 of this proxy statement/ prospectus.

**Q: Why are Halo and Unify proposing the merger?**

A: To review the reasons for the merger, see the sections entitled "The Merger - Halo's Reasons for the Merger" and "The Merger - Unify's Reasons for the Merger" beginning on pages 55 and 56, respectively, of this proxy statement/ prospectus.

**Q: What will happen in the merger?**

A: In the merger, UCA Merger Sub, Inc., a wholly-owned subsidiary of Halo, will merge with and into Unify, with Unify continuing after the merger as the surviving entity and a wholly-owned subsidiary of Halo.

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**Q: As a Unify stockholder, what will I receive in the merger?**

A: If the merger is completed, you will receive 0.437 shares of Halo common stock for each share of Unify common stock you own as the merger consideration. Certain outstanding options to purchase shares of Unify common stock and outstanding warrants to purchase shares of Unify common stock will also be converted into the right to acquire shares of Halo common stock. The merger consideration is more fully described in the sections of this proxy statement/ prospectus titled *The Merger Agreement*, *Merger Consideration; Stock Payment* and *; Common Stock Options and Warrants* and in the merger agreement, which is attached to this proxy statement/prospectus as Annex A.

**Q: What are the principal risks relating to the merger?**

A: If all of the conditions to the merger are not met, the merger may not occur and Halo and Unify may lose the intended benefits of the merger. Even if the merger is completed, the anticipated benefits of combining Halo and Unify may not be realized. Halo may have difficulty integrating Unify and may incur substantial costs in connection with the integration. The merger may result in the loss of customers and/or a drop in Halo's stock price. Halo may not be able to service its current debt obligations. If the merger fails to qualify as a tax-free reorganization, you will recognize a gain or loss on your Unify shares. These and other risks are explained in the section entitled *Risk Factors*, *Risks Related to the Merger* beginning on page 29 of this proxy statement/prospectus.

**Q: Can the value of the transaction change between now and the time the merger is completed?**

A: Yes. While the exchange rate is fixed at 0.437 shares of Halo common stock for each share of Unify stock, the value of each share to you will be determined based on the Halo stock price from time to time. Each holder of Unify stock will receive 0.437 shares of Halo stock. We do not know what the Halo common stock will be worth at the time of closing or thereafter, and you should obtain a current quotation for Halo common stock before voting on the merger. See the sections entitled *The Merger Agreement*, *Merger Consideration; Stock Payment* and *; Common Stock Options and Warrants* beginning on page 78 of this proxy statement/ prospectus.

**Q: As a holder of options or warrants to purchase Unify common stock, what will I receive in the merger?**

A: Each outstanding option to acquire Unify common stock with a per share exercise price less than \$1.00 (whether or not then vested) that remains outstanding immediately prior to consummation of the merger will be converted into an equivalent Halo stock option with the number of shares and option price adjusted to reflect the Exchange Ratio. Each outstanding warrant to acquire Unify common stock will be converted into a warrant to purchase the number of shares of Halo common stock determined by multiplying the number of Unify common shares covered by the option by the Exchange Ratio, with an exercise price per warrant share of Halo common stock of \$1.836 irrespective of the Halo common stock price at the Effective Time of the merger. See the sections of this proxy statement/ prospectus titled *The Merger Agreement*, *Stock Payment* and *; Common Stock Options and Warrants* beginning on page 78 of this proxy statement/ prospectus and in the merger agreement, attached to this proxy statement/ prospectus as Annex A. Each outstanding option to acquire Unify common stock with an exercise price equal to or greater than \$1.00 (whether or not then vested) that remains outstanding immediately prior to the consummation of the merger will be cancelled.

**Q: When and where will the special meeting take place?**

A: The Unify special meeting is scheduled to take place at \_\_\_\_\_ a.m., local time, on \_\_\_\_\_, \_\_\_\_\_, 2006 at the \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.



**Q: Who is entitled to vote at the special meeting?**

A: Holders of record of Unify common stock as of the close of business on \_\_\_\_\_, 2006, referred to as the record date, are entitled to vote at the special meeting. Each stockholder has one vote for each share of Unify common stock that the stockholder owns on the record date.

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**Q: What vote is required to adopt the merger agreement?**

A: The affirmative vote of a majority of the shares of Unify common stock outstanding as of the record date is the only vote required to adopt the merger agreement. No vote is required of the Halo stockholders.

**Q: If my shares are held in street name by my broker or bank, will my broker or bank automatically vote my shares for me?**

A: No, your broker or bank will not be able to vote your shares without instructions from you. You should instruct your broker or bank to vote your shares by following the instructions your broker or bank provides. If you do not instruct your broker or bank, they will not have the discretion to vote your shares.

**Q: What are the material U.S. federal income tax consequences of the merger to U.S. holders of Unify common stock?**

A: The merger has been structured to qualify as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). Assuming the merger qualifies as a Code Section 368 reorganization, U.S. holders of Unify common stock will not recognize gain or loss for United States federal income tax purposes upon the exchange of shares of Unify common stock for Halo common shares.

**Tax matters are very complicated, and the tax consequences of the merger applicable to a particular stockholder will depend in part on each stockholder's circumstances. Accordingly, we urge you to consult your own tax advisor for a full understanding of the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.**

For more information, please see the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger beginning on page 72 of this proxy statement/prospectus.

**Q: Can the Merger Agreement be Terminated Before Closing?**

A: Yes, there are several ways the merger agreement can be terminated before closing, including if the merger is not consummated by September 30, 2006, and there are several conditions to closing (including Halo raising an additional \$2 million in equity funding), which, if not met, could result in termination of the merger agreement.

**Q: How does the Unify board of directors recommend that Unify stockholders vote?**

A: Unify's board of directors recommends that Unify stockholders vote FOR the adoption of the merger agreement. Because consummation of the merger is conditioned on Halo raising at least \$2 million in equity funding and because one of our directors, Robert J. Majteles, has an agreement with Special Situation Funds, a Unify investor that is also expected to provide that financing. Mr. Majteles abstained from voting on the merger. Other than Mr. Majteles' abstention, the Unify board of directors recommendation was unanimous.

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this proxy statement/prospectus, please mail your signed proxy card in the enclosed return envelope as soon as possible so that your shares may be represented at the special meeting. You may also attend the special meeting and vote in person. If your shares are held in street name by your broker or bank, your broker or bank will vote your shares only if you provide instructions on how to vote. You should follow the directions provided by your broker or bank regarding how to instruct your

broker or bank to vote your shares.

**Q: What if I do not vote, do not fully complete my proxy card or fail to instruct my broker?**

A: It is very important for you to vote. If you do not submit a proxy or instruct your broker how to vote your shares if your shares are held in street name, and you do not vote in person at the special meeting, the effect will be the same as if you voted **AGAINST** the adoption of the merger agreement. If you submit a signed proxy without specifying the manner in which you would like your

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shares to be voted, your shares will be voted **FOR** the adoption of the merger agreement. However, if your shares are held in street name and you do not instruct your broker how to vote your shares, your broker will not vote your shares, such failure to vote being referred to as a broker non-vote, which will have the same effect as voting **AGAINST** the adoption of the merger agreement. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares in order to ensure that your shares will be voted at the special meeting.

**Q: Can I change my vote after I have delivered my proxy?**

A: Yes. You may change your vote at any time before the vote takes place at the special meeting. To change your vote, you may (1) submit a new proxy card bearing a later date by mail, or (2) send a signed written notice bearing a date later than the date of the proxy to the Secretary of Unify stating that you would like to revoke your proxy. You may also change your vote by attending the special meeting and voting in person, although your attendance alone will not revoke your proxy. However, if you elect to vote in person at the special meeting and your shares are held by a broker, bank or other nominee, you must bring to the meeting a legal proxy from the broker, bank or other nominee authorizing you to vote the shares.

**Q: Will a proxy solicitor be used?**

A: No.

**Q: Do I need to attend the special meeting in person?**

A: No. It is not necessary for you to attend the special meeting to vote your shares if Unify has previously received your proxy, although you are welcome to attend.

**Q: Should I send in my stock certificates now?**

A: No. After the merger is completed, \_\_\_\_\_, acting the exchange agent, will send you instructions (including a letter of transmittal) explaining how to exchange your shares of Unify common stock for the appropriate number of shares of Halo common stock. Please do not send in your stock certificates with your proxy.

**Q: When do you expect to complete the merger?**

A: We are working to complete the merger as promptly as practicable after the special meeting. However, because the merger is subject to closing conditions, we cannot predict the exact timing.

**Q: Will I have appraisal rights as a result of the merger?**

A: If you do not wish to participate in the merger and wish to exercise your appraisal rights, you must follow the requirements of Delaware law. A copy of the applicable Delaware statutory provision is included as Annex D to this proxy statement/ prospectus and a summary of this provision can be found in the section entitled **Appraisal Rights for Unify Stockholders** beginning on page 74 of this proxy statement/ prospectus. If more than 10% of the Unify stockholders elect to exercise appraisal rights, then Halo can elect to terminate the merger agreement.

**Q: How will Unify stockholders receive the merger consideration?**

A: Following the merger, you will receive a letter of transmittal and instructions on how to obtain the merger consideration in exchange for your Unify common stock. You must return the completed letter of transmittal and

surrender your Unify shares of common stock as described in the instructions, and you will receive the merger consideration as soon as practicable after the exchange agent receives your completed letter of transmittal and Unify shares of common stock.

**Q: Who can I call with questions?**

A: If you have any questions about the merger, how to submit your proxy or other matters discussed in this proxy statement/ prospectus or if you need additional copies of this proxy statement/ prospectus or the enclosed proxy card, you should contact Unify Investor Relations at (916) 928-6288.

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**SUMMARY OF THE PROXY STATEMENT/ PROSPECTUS**

*This summary highlights selected information from this proxy statement/ prospectus. It does not contain all of the information that is important in deciding how to vote your shares. To understand the merger fully and for more complete description of the legal terms of the merger, you should read carefully this entire proxy statement/ prospectus and the annexes attached to it, including the merger agreement and fairness opinion which are attached as Annexes A and B to this proxy statement/ prospectus and made a part of this proxy statement/ prospectus. For more information about Halo and Unify, see the section of this proxy statement/ prospectus entitled *Where You Can Find More Information*. This summary and this proxy statement/ prospectus contain forward-looking statements about events that are not certain to occur as described, or at all, and you should not place undue reliance on those statements. Please carefully read the section of this proxy statement/prospects entitled *Forward-Looking Statements*.*

**The Companies (see pages 87 and 125)**

**Unify Corporation**

2101 Arena Blvd., Suite 100  
Sacramento, California 95834  
Telephone: (916) 928-6400

Unify provides automation solutions including specialty insurance risk management and driver performance applications. Unify's solutions deliver a broad set of capabilities for automating business processes, integrating existing information systems and delivering collaborative information. Through its industry expertise and market leading technologies, Unify helps organizations drive business optimization, apply governance and increase customer service.

**Halo Technology Holdings, Inc.**

200 Railroad Avenue  
Greenwich, CT 06830  
Telephone: (203) 422-2950

Halo is a holding company whose subsidiaries operate enterprise software and information technology businesses. In addition to holding its existing subsidiaries, Halo's strategy is to pursue acquisitions of businesses that either complement Halo's existing businesses or expand the industries in which Halo operates. Halo's current operating subsidiaries include Gupta Technologies, LLC (Gupta), Warp Solutions, Inc. (Warp Solutions), Kenosia Corporation (Kenosia), Tesseract Corporation (Tesseract), DAVID Corporation (DAVID), Process Software (Process), ProfitKey International (ProfitKey), Foresight Software, Inc. (Foresight), Empagio, Inc. (Empagio), and Executive Consultants, Inc. (ECI). Halo has merged Tesseract and ECI into Empagio.

**Reasons for the Merger (see pages 55 and 56)**

Halo's and Unify's board of directors, respectively, believe the proposed merger will enhance value for stockholders of both companies. We expect that the combination of Halo and Unify will substantially strengthen Halo's suite of enterprise software offerings while providing Unify with access to greater resources, a larger installed base of customers and significant product synergies with several of the Halo portfolio companies. In addition, as of the date Unify's board of directors approved the merger [and as of the date this proxy statement/ prospectus is mailed], the merger consideration provides a premium for Unify stockholders. To review the reasons for the merger in greater detail, see the sections entitled *The Merger Halo's Reasons for the Merger* and *The Merger Unify's Reasons for the Merger* beginning on pages 55 and 56, respectively, of this proxy statement/ prospectus.

**Structure of the Transaction (see page 51)**