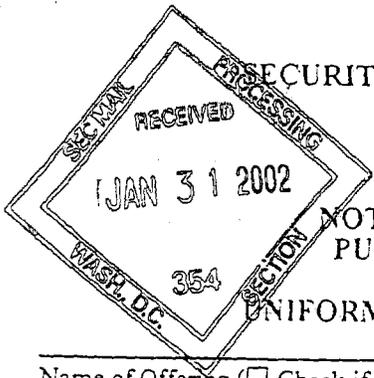


940146



SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM D



02012781

NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR
UNIFORM LIMITED OFFERING EXEMPTION

21-900 94014-6N

Name of Offering (Check if this is an amendment and name has changed, and indicate change.)
Patient Safety Institute, Inc., \$13,750,000 of Promissory Notes

Filing Under (Check box(es) that apply): Rule 504 Rule 505 Rule 506
 Section 4(6) ULOE

Type of Filing: New Filing Amendment

A. BASIC IDENTIFICATION DATA

PROCESSED
FEB 15 2002
THOMSON
FINANCIAL

1. Enter the information requested about the issuer:

Name of Issuer (Check if this is an amendment and name has changed and indicate change.)
Patient Safety Institute, Inc.

Address of Executive Offices

(Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)
1201 J. Street, Suite 300, Sacramento, CA 95814-3906 (916) 551-2020

Address of Principal Business Operations (if different from executive offices)

(Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)
Same as above

Brief Description of Business Not-for-Profit corporation formed to provide a patient safety solution for medication errors and other adverse drug events

Type of Business Organization

- corporation limited partnership, already formed other (please specify):
- business trust limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization: Month Year Actual Estimated

Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for state; CN for Canada; FN for other foreign jurisdiction)

GENERAL INSTRUCTIONS

Federal.

Who Must File. All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.301 et seq. or 15 U.S.C. 77d(6).

When to File. A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.

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A. BASIC IDENTIFICATION DATA

Check Box(es) That Apply: Promoter Beneficial Owner Executive Officer
 Director General and/or Managing Partner

Full Name (last name first, if individual)
 Black, Don

Business or Residence Address (number and street, city, state, zip code)
 6803 West 64th Street, Suite 208, Shawnee Mission, Kansas 66202

Check Box(es) That Apply: Promoter Beneficial Owner Executive Officer
 Director General and/or Managing Partner

Full Name (last name first, if individual)
 Winship, Daniel H., M.D.

Business or Residence Address (number and street, city, state, zip code)
 204 Medical Sciences Building, Columbia, MD 65211

Check Box(es) That Apply: Promoter Beneficial Owner Executive Officer
 Director General and/or Managing Partner

Full Name (last name first, if individual)
 DuFault, Karin, S.P., Ph.D., R.N.

Business or Residence Address (number and street, city, state, zip code)
 506 Second Avenue, Suite 1200, Seattle, WA 98104

Check Box(es) That Apply: Promoter Beneficial Owner Executive Officer
 Director General and/or Managing Partner

Full Name (last name first, if individual)

Business or Residence Address (number and street, city, state, zip code)

Check Box(es) That Apply: Promoter Beneficial Owner Executive Officer
 Director General and/or Managing Partner

Full Name (last name first, if individual)

Business or Residence Address (number and street, city, state, zip code)

Check Box(es) That Apply: Promoter Beneficial Owner Executive Officer
 Director General and/or Managing Partner

Full Name (last name first, if individual)

Business or Residence Address (number and street, city, state, zip code)

(Use blanksheet, or copy and use additional copies of this sheet, as necessary.)

FORM D

**C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES
AND USE OF PROCEEDS**

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type Of Security	Aggregate Offering Price	Amount Already Sold
Debt.....	\$ <u>13,750,000</u>	\$ <u>8,500,000</u>
Equity	\$ <u>0</u>	\$ <u>0</u>
<input type="checkbox"/> Common <input type="checkbox"/> Preferred		
Convertible Securities (including warrants) ...	\$ <u>0</u>	\$ <u>0</u>
Partnership Interests	\$ <u>0</u>	\$ <u>0</u>
Other (Specify _____)	\$ <u>0</u>	\$ <u>0</u>
Total	\$ <u>13,750,000</u>	\$ <u>8,500,000</u>

Answer also in Appendix, column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number Investors	Aggregate Dollar Amount Of Purchases
Accredited Investors	<u>8</u>	\$ <u>8,500,000</u>
Non-accredited Investors.....	<u>0</u>	\$ <u>0</u>
Total (for filings under Rule 504 only).....	<u> </u>	\$ <u> </u>

Answer also in Appendix, column 4, if filing under ULOE.

FORM D

**C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES
AND USE OF PROCEEDS**

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C — Question 1.

Type Of Offering	Type Of Security	Dollar Amount Sold
Rule 505	\$ _____	\$ _____
Regulation A.....	\$ _____	\$ _____
Rule 504	\$ _____	\$ _____
Total.....	\$ _____	\$ _____

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees.....	<input checked="" type="checkbox"/> \$	<u>0</u>
Printing and Engraving Costs.....	<input checked="" type="checkbox"/> \$	<u>0</u>
Legal Fees.....	<input checked="" type="checkbox"/> \$	<u>12,000</u>
Accounting Fees.....	<input checked="" type="checkbox"/> \$	<u>0</u>
Engineering Fees.....	<input checked="" type="checkbox"/> \$	<u>0</u>
Sales Commissions (specify finders' fees separately).....	<input checked="" type="checkbox"/> \$	<u>0</u>
Other Expenses (identify) <u>public relations</u>	<input checked="" type="checkbox"/> \$	<u>36,000</u>
Total.....	<input checked="" type="checkbox"/> \$	<u>48,000</u>

- b. Enter the difference between the aggregate offering price given in response to Part C — Question 1 and total expenses furnished in response to Part C — Question 4.a. This difference is the "adjusted gross proceeds to the issuer." . . . \$ 13,702,000
5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C — Question 4.b above.

FORM D

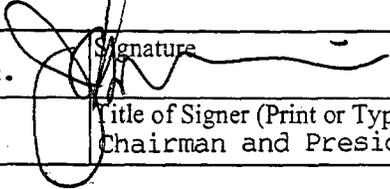
**C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES
AND USE OF PROCEEDS**

	Payments To Officers, Directors, And Affiliates	Payment To Others
Salaries and fees	<input checked="" type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$ <u>2,700,000</u>
Purchase of real estate	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>0</u>
Purchase, rental or leasing and installation of machinery and equipment	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>5,400,000</u>
Construction or leasing of plant buildings and facilities	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>100,000</u>
Acquisition of other businesses (including the value of securities involved in this offer- ing that may be used in exchange for the assets or securities of another issuer pursu- ant to a merger)	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>0</u>
Repayment of indebtedness	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>0</u>
Working capital	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>5,502,000</u>
Other (specify): _____	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>0</u>
_____	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>0</u>
_____	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>0</u>
Column Totals	<input checked="" type="checkbox"/> \$ <u>0</u>	<input checked="" type="checkbox"/> \$ <u>13,702,000</u>
Totals Payments Listed (column total added)		<input checked="" type="checkbox"/> \$ <u>13,702,000</u>

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D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) Patient Safety Institute, Inc.	Signature 	Date 1/25/02
Name of Signer (Print or Type) John C. Lewin, M.D.	Title of Signer (Print or Type) Chairman and President	

ATTENTION

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 16 U.S.C. 1001.)