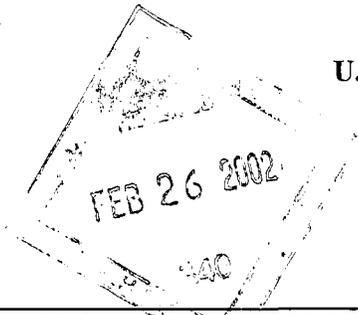


FORM D

[OMB Number: 3235-0076, Expires: November 30, 2001]

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

1080475



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

21-40403

Name of Offering (check if this is an amendment and name has changed, and indicate change.)
Employee, Inc. Series E Preferred Stock Offering

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

1. Enter the information requested about the issuer

Name of Issuer (check if this is an amendment and name has changed, and indicate change.)
Employee, Inc.

Table with 2 columns: Address and Telephone Number. Rows include Executive Offices (Atlanta, GA 30305, 404 949-8400) and Principal Business (Same as above).



02017600

Brief Description of Business

Internet-Based Employee Information Management Company

Type of Business Organization: corporation limited partnership, already formed
business trust limited partnership, to be formed

PROCESSED
MAR 05 2002
THOMSON FINANCIAL

Actual or Estimated Date of Incorporation Organization: 05 1996 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 230.501 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.
Where to File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549
Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed.
Information Required: A new filing must contain all information requested.
Filing Fee: There is no federal filing fee.

STATE: This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form.

ATTENTION

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.

FORM D

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

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

Full Name (Last name first, if individual)

Seckler, Michael S.

Business or Residence Address (Number and Street, City, State, Zip Code)

One Piedmont Center, Building One, Suite 400, Atlanta, GA 30305

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

Full Name (Last name first, if individual)

Alberg, John

Business or Residence Address (Number and Street, City, State, Zip Code)

One Piedmont Center, Building One, Suite 400, Atlanta, GA 30305

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

Full Name (Last name first, if individual)

Nail, John

Business or Residence Address (Number and Street, City, State, Zip Code)

1018 Arbor Trace, Atlanta, GA 30319

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

Full Name (Last name first, if individual)

Horowitz, Ken

Business or Residence Address (Number and Street, City, State, Zip Code)

One Piedmont Center, Building One, Suite 400, Atlanta, GA 30305

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

Full Name (Last name first, if individual)

Shiple, Brenda

Business or Residence Address (Number and Street, City, State, Zip Code)

280 East Ridge Road, Middletown, CT 06457

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

Full Name (Last name first, if individual)

Fauver, Phillip

Business or Residence Address (Number and Street, City, State, Zip Code)

One Piedmont Center, Building One, Suite 400, Atlanta, GA 30305

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

Full Name (Last name first, if individual)

Duff, Stephen

Business or Residence Address (Number and Street, City, State, Zip Code)

c/o The Clark Estates, Inc., One Rockefeller Plaza, 31st Floor, New York, NY 10020

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

Full Name (Last name first, if individual)

Gurley, J. William

Business or Residence Address (Number and Street, City, State, Zip Code)

C/O Benchmark Capital, 2480 Sand Hill Road, Menlo Park, CA 90425

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

Full Name (Last name first, if individual)

Guess, James D.

Business or Residence Address (Number and Street, City, State, Zip Code)

One Piedmont Center, Building One, Suite 400, Atlanta, GA 30305

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

Full Name (Last name first, if individual)

Orr, Wilson

Business or Residence Address (Number and Street, City, State, Zip Code)

c/o SSM Ventures, 845 Crossover Lane, Suite 140, Memphis, TN 38117

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

Full Name (Last name first, if individual)

Beldy, Daniel

Business or Residence Address (Number and Street, City, State, Zip Code)

c/o Hummer-Winblad Venture Partners, 2 South Park, 2nd Floor, San Francisco, CA 94107

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

Full Name (Last name first, if individual)

Johnson, Charles

Business or Residence Address (Number and Street, City, State, Zip Code)

c/o Noro-Mosley Partners IV, L.P. 9 North Parkway Square, 4200 Northside Parkway, N.W., Atlanta, GA 30327

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

Full Name (Last name first, if individual)

Hummer Winblad Venture Partners V, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

Two South Park, 2nd Floor, San Francisco, CA 94107

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

Full Name (Last name first, if individual)

Bowman Capital Crossover Fund, L.P. (F/K/A Spinnaker Crossover Institutional Fund, L.P.)

Business or Residence Address (Number and Street, City, State, Zip Code)

1875 South Grant Street, Suite 600, San Mateo, CA 94402

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

Full Name (Last name first, if individual)

Bowman Capital Crossover Fund "A", L.P. (F/K/A Spinnaker Crossover Fund, L.P.)

Business or Residence Address (Number and Street, City, State, Zip Code)

1875 South Grant Street, Suite 600, San Mateo, CA 94402

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

Full Name (Last name first, if individual)

SSM Venture Partners, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

845 Crossover Lane, Suite 140, Memphis, TN 38117

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

Full Name (Last name first, if individual)

SSM Venture Partners II, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

845 Crossover Lane, Suite 140, Memphis, TN 38117

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

Full Name (Last name first, if individual)

SSM Venture Associates, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

845 Crossover Lane, Suite 140, Memphis, TN 38117

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

Full Name (Last name first, if individual)

Noro-Moseley Partners IV, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

9 North Parkway Square, 4200 Northside Parkway, N.W., Atlanta, GA 30327

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

Full Name (Last name first, if individual)

Lovett Miller Venture Fund II, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

100 North Tampa Street, Suite 2675, Tampa, FL 33602

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

Full Name (Last name first, if individual)

Madrona Venture Fund I-A, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

100 2nd Avenue, Suite 3700, 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)

Madrona Venture Fund I-B, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

100 2nd Avenue, Suite 3700, 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)

Madrona Managing Director Fund

Business or Residence Address (Number and Street, City, State, Zip Code)

100 2nd Avenue, Suite 3700, 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)

Hummer Winblad Venture Partners III, L.P.

Business or Residence Address (Number and Street, City, State, Zip Code)

Two South Park, 2nd Floor, San Francisco, CA 94107

FORM D

B. INFORMATION ABOUT OFFERING

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering? Yes No
[] [X]

Answer also in Appendix, Column 2, if filing under ULOE.

2. What is the minimum investment that will be accepted from any individual? None

3. Does the offering permit joint ownership of a single unit? Yes No
[X] []

4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only. *

*

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) [] All States

- [AL] [AK] [AZ] [AR] [CA] [CO] [CT] [DE] [DC] [FL] [GA] [HI] [ID]
[IL] [IN] [IA] [KS] [KY] [LA] [ME] [MD] [MA] [MI] [MN] [MS] [MO]
[MT] [NE] [NV] [NH] [NJ] [NM] [NY] [NC] [ND] [OH] [OK] [OR] [PA]
[RI] [SC] [SD] [TN] [TX] [UT] [VT] [VA] [WA] [WV] [WI] [WY] [PR]

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) [] All States

- [AL] [AK] [AZ] [AR] [CA] [CO] [CT] [DE] [DC] [FL] [GA] [HI] [ID]
[IL] [IN] [IA] [KS] [KY] [LA] [ME] [MD] [MA] [MI] [MN] [MS] [MO]
[MT] [NE] [NV] [NH] [NJ] [NM] [NY] [NC] [ND] [OH] [OK] [OR] [PA]
[RI] [SC] [SD] [TN] [TX] [UT] [VT] [VA] [WA] [WV] [WI] [WY] [PR]

(Use blank sheet, 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.....	\$ _____	\$ _____
Equity.....	<u>\$15,500,000.00</u>	<u>\$13,302,791.09</u>
<input type="checkbox"/> Common <input checked="" type="checkbox"/> Preferred		
Convertible Securities (including warrant).....	\$ _____	\$ _____
Partnership Interests.....	\$ _____	\$ _____
Other (Specify).....	\$ _____	\$ _____
Total.....	<u>\$15,500,000.00</u>	<u>\$13,302,791.09</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."

	Aggregate Number Investors	Dollar Amount of Purchases
Accredited Investors.....	<u>15</u>	<u>\$13,302,791.09</u>
Non-accredited Investors.....	<u>0</u>	<u>\$ 0.00</u>
Total (for filings under Rule 504 only).....	_____	\$ _____

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

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, 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 type="checkbox"/>	\$ _____
Printing and Engraving Costs.....	<input checked="" type="checkbox"/>	<u>\$2,224.93</u>
Legal Fees.....	<input checked="" type="checkbox"/>	<u>\$193,259.86</u>
Accounting Fees.....	<input type="checkbox"/>	\$ _____
Engineering Fees.....	<input type="checkbox"/>	\$ _____
Sales Commissions (specify finders' fees separately)* to be paid only if the issuer utilized registered broker-dealers for future sales.....	<input type="checkbox"/>	\$ _____
Other Expenses.....	<input type="checkbox"/>	\$ _____
Total.....	<input type="checkbox"/>	<u>\$195,484.79</u>

FORM D

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

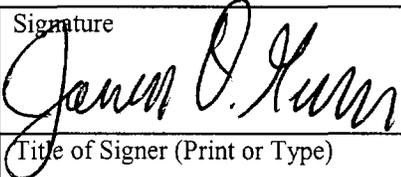
4.b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer." **\$15,304,515.21**

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.

	<input type="checkbox"/>	Payments to Officers, Directors & Affiliates	<input type="checkbox"/>	Payments To Others
Salaries and fees.....	<input type="checkbox"/>	\$___	<input type="checkbox"/>	\$___
Purchase of real estate.....	<input type="checkbox"/>	\$___	<input type="checkbox"/>	\$___
Purchase, rental or leasing and installation of machinery and equipment	<input type="checkbox"/>	\$___	<input type="checkbox"/>	\$___
Construction or leasing of plant buildings and facilities.....	<input type="checkbox"/>	\$___	<input type="checkbox"/>	\$___
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)	<input type="checkbox"/>	\$___	<input type="checkbox"/>	\$___
Repayment of indebtedness	<input type="checkbox"/>	\$___	<input type="checkbox"/>	\$___
Working capital.....	<input type="checkbox"/>	\$___	<input checked="" type="checkbox"/>	<u>\$15,304,515.21</u>
Other (specify):	<input type="checkbox"/>	\$___	<input type="checkbox"/>	\$___
Column Totals.....	<input type="checkbox"/>	\$___	<input type="checkbox"/>	\$___
Total Payments Listed (column totals added).....	<input type="checkbox"/>	\$___	<input checked="" type="checkbox"/>	<u>\$15,304,515.21</u>

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) Employease, Inc.	Signature 	Date February 25, 2002
Name of Signer (Print or Type) James D. Guess	Title of Signer (Print or Type) Vice President, Finance & Administration	

ATTENTION

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

FORM D

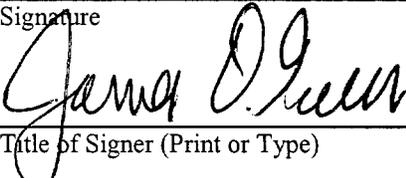
E. STATE SIGNATURE

1. Is any party described in 17 CFR 230.262 presently subject to any of the disqualification provisions of such rule? Yes No

See Appendix, Column 5, for state response.

2. The undersigned issuer hereby undertakes to furnish to any state administrator of any state in which this notice is filed, a notice on Form D (17 CFR 239,500) at such times as required by state law.
3. The undersigned issuer hereby undertakes to furnish to the state administrators, upon written request, information furnished by the issuer to offerees.
4. The undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform Limited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the availability of this exemption has the burden of establishing that these conditions have been satisfied.

The issuer has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

Issuer (Print or Type) Employease, Inc.	Signature 	Date February 25, 2002
Name of Signer (Print or Type) James D. Guess	Title of Signer (Print or Type) Vice President, Finance & Administration	

Instruction:

Print the name and title of the signing representative under his signature for the state portion of this form. One copy of every notice on Form D must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

FORM D

APPENDIX

1 State	2 Intend to sell to non-accredited investors in State (Part B-Item 1)		3 Type of security and aggregate offering price offered in state (Part C-Item 1)	4 Type of investor and amount purchased in State (Part C-Item 2)				5 Disqualification under State ULOE if yes, attach explanation of waiver granted (Part E-Item 1)	
	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
AL			Series E Preferred Stock						
AK									
AZ									
AR									
CA		X	\$7,224,126.24	3	\$7,224,126.24	0	-0-		X
CO									
CT									
DE									
DC									
FL		X	\$972,707.06.00	1	\$972,707.06	0	-0-		X
GA		X	\$2,921,607.81	1	\$2,921,607.81	0	-0-		X
HI									
ID									
IL									
IN									
IA									
KS									
KY									
LA									
ME									
MD									
MA									
MI									
MN									
MS									
MO									
MT									
NE									
NV									
NH									
NJ									
NM									
NY									
NC									

APPENDIX

1 State	2 Intend to sell to non-accredited investors in State (Part B-Item 1)		3 Type of security and aggregate offering price offered in state (Part C-Item 1)	4 Type of investor and amount purchased in State (Part C-Item 2)				5 Disqualification under State ULOE if yes, attach explanation of waiver granted) (Part E-Item 1)	
	Yes	No		Series E Preferred Stock	Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes
ND									
OH									
OK									
OR									
PA									
RI									
SC									
SD									
TN		X	\$1,959,348.68	3	\$1,959,348.68	0	-0-		X
TX									
UT									
VT									
VA									
WA		X	\$225,001.30	3	\$225,001.30	0	-0-		X
WV									
WI									
WY									
PR									