

SECURITIES AND EXCHANGE COMMISSION

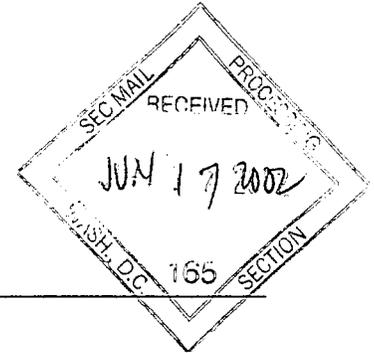
Washington, D.C., 20549



02041270

FORM 6-K

Report of Foreign Issuer



For the month of May, 2002

QI Systems Inc. (SEC File No: 0-30948)  
(Translation of registrant's name into English)

Suite 1070 - 1200 West 73rd Avenue, Vancouver, British Columbia, CANADA, V6P 6G5  
(Address of principal executive office)

[Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F. Form 20-F  Form 40-F

[Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes  No

PROCESSED  
JUL 17 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

QI Systems Inc.  
(Registrant)

Date: May 31, 2002

By: \*

(Signature)\*

\*Print name and title under the signature of the signing officer

## GENERAL INSTRUCTIONS

### A. Rule as to Use of Form 6-K

This form shall be used by foreign private issuers which are required to furnish reports pursuant to Rule 13a-16 or 15d-16 under the Securities Exchange Act of 1934.

### B. Information and Document Required to be Furnished

Subject to General Instruction D herein, an issuer furnishing a report on this form shall furnish whatever information, not required to be furnished on Form 40-F or previously furnished, such issuer (i) makes or is required to make public pursuant to the law of the jurisdiction of its domicile or in which it is incorporated or organized, or (ii) files or is required to file with a stock exchange on which its securities are traded and which was made public by that exchange, or (iii) distributes or is required to distribute to its security holders.

The information required to be furnished pursuant to (i),(ii) or (iii) above is that which is material with respect to the issuer and its subsidiaries concerning: changes in business; changes in management or control; acquisitions or dispositions of assets; bankruptcy or receivership; changes in registrant's certifying accountants; the financial condition and results of operations; material legal proceedings; changes in securities or in the security for registered securities; defaults upon senior securities; material increases or decreases in the amount outstanding of securities or indebtedness; the results of the submission of matters to a vote of security holders; transactions with directors, officers or principal security holders; the granting of options or payment of other compensation to directors or officers; and any other information which the registrant deems of material importance to security holders.

This report is required to be furnished promptly after the material contained in the report is made public as described above. The information and documents furnished in this report shall not be deemed to be "filed" for the purposes of Section 18 of the Act or otherwise subject to the liabilities of that section.

If a report furnished on this form incorporates by reference any information not previously filed with the Commission, such information must be attached as an exhibit and furnished with the form.

### C. Preparation and Filing of Report

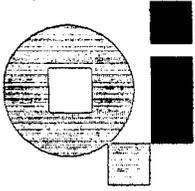
This report shall consist of a cover page, the document or report furnished by the issuer, and a signature page. Eight complete copies of each report on this form shall be deposited with the Commission. At least one complete copy shall be filed with each United States stock exchange on which any security of the registrant is listed and registered under Section 12(b) of the Act. At least one of the copies deposited with the Commission and one filed with each such exchange shall be manually signed. Unsigned copies shall be conformed.

### D. Translations of Papers and Documents into English

Reference is made to Rule 12b-12(d) [17 CFR 240.12b-12(d)]. Information required to be furnished pursuant to General Instruction B in the form of press releases and all communications or material distributed directly to security holders of each class of securities to which any reporting obligation under Section 13(a) or 15(d) of the Act relates shall be in the English language. English versions or adequate summaries in the English language of such materials may be furnished in lieu of original English translations.

Notwithstanding General Instruction B, no other documents or reports, including prospectuses or offering circulars relating to entirely foreign offerings, need be furnished unless the issuer otherwise has prepared or caused to be prepared English translations, English versions or summaries in English thereof. If no such English translations, versions or summary have been prepared, it will be sufficient to provide a brief description in English of any such documents or reports. In no event are copies of original language documents or reports required to be furnished.

SEC 1815 (7-91)



# QI SYSTEMS INC.

THE SOLUTION TO SMART CARD VENDING

**FOR:** QI SYSTEMS INC.  
**FROM:** Mesbah Taherzadeh, President and CEO  
**CONTACT:** (604) 264-9930

## Q I SYSTEMS' NEGOTIATED A PRIVATE PLACEMENT

VANCOUVER, BC, May 3, 2002 - Q I Systems Inc. (the "Company") (OTCBB: QIIIF; TSX Venture Exchange: QII.U) announces that it has negotiated a private placement for a total of 4,000,000 units (the "Private Placement Units"), each unit comprised of one common share (a "Share") and one non-transferable share purchase warrant (a "Warrant"), in the capital stock of the Company at \$0.30 U.S. per unit to net the treasury an aggregate of \$1,200,000 U.S. One Warrant will entitle the holder to purchase one additional common share of the Company for a period of two years from the date of the initial purchase at \$0.40 U.S. per share. The common shares and any shares issued on the exercise of the share purchase warrants forming a part of the Private Placement Units will be subject to a "hold period" of four months and one day from the distribution date.

The proceeds of the private placement will be used for general working capital, payments of accounts payable, and a finder's fee, if applicable.

The Company has also agreed to settle in full indebtedness in the amount of \$60,000 U.S. to a consultant for past due payment for services by the conversion thereof into 200,000 common shares of the Company at a price of \$0.30 U.S. per share in accordance with the policies of the TSX Venture Exchange.

The private placement and debt settlement transactions are subject to acceptance by the TSX Venture Exchange and any other regulatory authority having jurisdiction.

The Company ([www.qisystems.ca](http://www.qisystems.ca)) designs hardware and software for the rapidly expanding cash card industry. It is a leader in supplying solutions for smart card vending with products in use in Canada, the U.S., Venezuela, Hong Kong, the UK, and Norway. The Company's SmartVend technology enables debit card purchases by consumers from a wide range of vending machines types. The SmartVend system is currently being used in conjunction with many card schemes, including VisaCash, Mondex (Multos), CANTV (Venezuelan phone card), Telus SmartONE card and others. Due to the modular structure of SmartVend, multiple card schemes can be run in parallel in the same unit with new schemes added at a later date. The Company's SmartVend systems have been installed in Coca-Cola and Pepsi vending machines, coffee, snack and sandwich machines, laundromat machines, copiers, newspaper vending boxes for such publications as *USAToday* and in parking machines.

**Approved on behalf of the Board:**



Mesbah Faherzadeh, P.Eng.  
President & CEO

*Certain matters discussed in this press release are "forward-looking statements." These forward-looking statements can generally be identified as such because the context of the statement will include words such as the Company "expects", "anticipates" or words of similar import. Similarly, statements that describe the Company's future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties, including the financial performance of the Company and market valuations of its stock, which could cause actual results to differ materially from those currently anticipated. Although the Company believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be attained. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating any forward-looking statements. Forward-looking statements made herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.*

*The Canadian Venture Exchange have not reviewed and do not accept responsibility for the adequacy of this news release.*

**Suite 1070-1200 West 73<sup>rd</sup>. Avenue, Vancouver, BC, Canada V6P 6G5  
Telephone: 604.264.9930/ Facsimile: 604.264.9926/ [www.qisystems.ca](http://www.qisystems.ca)**