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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.

OMB APPROVAL
OMB Number: 3235-0076
Expires: May 31, 2005
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PROCESSED SEC USE ONLY

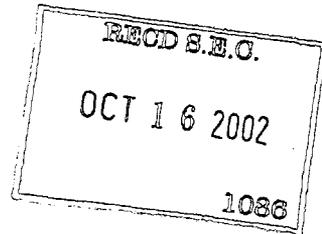
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THOMSON FINANCIAL

FORM D

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

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



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

SURETY, INC.: SERIES F 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.)

Surety, Inc.

Address of Executive Offices (Number and Street, City, State, Zip Code)	Telephone Number (Including Area Code)
Suite 150, 12950 Worldgate Drive, Herndon, Virginia 20170	703/707-9955

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 Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Fischer, Addison

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

3584 Mercentile Avenue, Naples, Florida 34104-3310

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

Full Name (Last name first, if individual)

Sackler, Richard

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

c/o Purdue, One Stamford Forum, Stamford, CT 06901

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

Full Name (Last name first, if individual)

Sackler, Jonathan

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

c/o Purdue, One Stamford Forum, Stamford, CT 06901

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

A. BASIC IDENTIFICATION DATA

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- 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 Promoter Beneficial Executive Officer Director General and/or
Apply: Owner Managing Partner

Full Name (Last name first, if individual)

Eagle, Myron

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

c/o Perao Gulme, 1066 N. Avenue, Third Floor, New Rochelle, NY 10804

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

Full Name (Last name first, if individual)

Prounis, Michael

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

c/o Perao Gulme, 1066 N. Avenue, Third Floor, New Rochelle, NY 10804

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

Full Name (Last name first, if individual)

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

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

Full Name (Last name first, if individual)

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

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

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 [✓]
 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 [✓]
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. N/A

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] |

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OR 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>0</u>	\$ <u>0</u>
Equity	\$ <u>7,067,354</u>	\$ <u>6,167,353.96</u>
[✓] Common Stock (or Conversion Stock) issuable upon conversion of certain shares of Series F-1 Preferred		
[✓] Preferred Stock, at a price per share of \$1.24: Issuance and sale of up to (a) 3,023,287 shares of Series F-1 Preferred Stock, par value \$.0006 ("Series F-1 Preferred"); and (b) 2,661,290 shares of Series F-2 Preferred Stock, par value \$.0006 ("Series F-2 Preferred" and together with the Series F-1 Preferred, the "Series F Preferred") ¹		
Convertible Securities (including warrants): Certain shares of Series F-1 Preferred are convertible into the underlying common stock of issuer.		
.....	\$ <u>0</u>	\$ <u>0</u>
Partnership Interests	\$ <u>0</u>	\$ <u>0</u>
Other (Specify _____).	\$ <u>0</u>	\$ <u>0</u>
Total.....	\$ <u>7,067,354</u>	\$ <u>6,167,353.96</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 of Investors	Aggregate Dollar Amount of Purchase
Accredited Investors.....	<u>5</u>	\$ <u>6,167,353.96</u>
Non-accredited Investors	<u>0</u>	\$ <u>0</u>
Total (for filings under Rule 504 only).....	<u>0</u>	\$ <u>0</u>

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

¹ The Closing of the purchase and sale of the Series F Preferred will take place in a series of closings, as follows: (i) First and Second Closing consisting of the purchase of 1,935,484 shares of the Series F-2 Preferred and all of the 3,023,287 shares of Series F-1 Preferred and (ii) Third Closing consisting of the purchase of an additional 725,806 shares of the Series F-2 Preferred. Subsequent closings may occur.

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OR 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, 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	<u>0</u>	<u>0</u>
<u>Regulation A</u>	<u>0</u>	<u>0</u>
Rule 504	<u>0</u>	<u>0</u>
Total.....	<u>0</u>	<u>0</u>

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.....	[] \$ 0
Printing and Engraving Costs	[] \$ 0
Legal Fees	[] \$ 0
Accounting Fees	[] \$ 0
Engineering Fees.....	[] \$ 0
Sales Commissions (specify finders' fees separately)	[] \$ 0
Other Expenses (identify)	[] \$ 0
Total.....	[] \$ 0

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."

\$ 7,067,354*
 (* All expenses were paid out of available cash)

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.

	Payments to Officers, Directors & Affiliates	Payments To Others
Salaries and fees	[X] \$ <u>475,000</u>	[] \$ 0
Purchase of real estate	[] \$ 0	[] \$ 0
Purchase, rental or leasing and installation of machinery and equipment	[] \$ 0	[X] \$ <u>150,000</u>
Construction or leasing of plant buildings and facilities	[] \$ 0	[] \$ 0

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

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"/> \$ 0	<input type="checkbox"/> \$ 0
Repayment of indebtedness.....	<input type="checkbox"/> \$ <u>3,403,722</u>	<input type="checkbox"/> \$ <u>1,004,702</u>
Working capital	<input type="checkbox"/> \$ 0	<input checked="" type="checkbox"/> \$ <u>2,033,930</u>
Other (specify):	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
<hr/>		
Column Totals.....	<input checked="" type="checkbox"/> \$ <u>3,878,722</u>	<input checked="" type="checkbox"/> \$ <u>3,188,632</u>
Total Payments Listed (column totals added)		<input checked="" type="checkbox"/> \$ <u>7,067,354</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) Surety, Inc.	Signature 	Date October 9, 2002
Name of Signer (Print or Type) Dennis Dourgarian	Title of Signer (Print or Type) Secretary	

ATTENTION

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