



854027

SEC 1972  
(6-02)

Potential persons who  
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Section of information contained in this form  
plays a currently valid OMB control

**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.

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

**FORM D**

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



OMB APPROVAL	
OMB Number: 3235-0076	
Expires: May 31, 2005	
Estimated average burden hours per response . . . 1	

SEC USE ONLY	
Prefix	Serial
DATE RECEIVED	

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

HealthSTAR Communications, Inc. (f/k/a HealthSTAR Communications II, Inc.)

- Class 1, Series A Convertible Preferred Stock
- Class 1, Series B Convertible Preferred Stock
- Class 2, Series B Convertible Preferred Stock
- Class 3, Series B Convertible Preferred Stock
- Class A Common Stock
- Class B Convertible Common Stock
- Class C Convertible Common Stock
- Class D Convertible Common Stock
- Warrants to purchase shares of Class A Common Stock

**PROCESSED**  
MAR 19 2003  
THOMSON FINANCIAL

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.)

F/k/a HealthSTAR Communications, Inc. (f/k/a HealthSTAR Communications II, Inc.) **HEALTHSTAR INC**

Address of Executive Offices (Number and Street, City, State, Zip Code) Telephone Number (including Area Code)  
**100 Woodbridge Center Drive, Woodbridge, New Jersey 07095 (732) 726-0441**

Address of Principal Business Operations (if different from Executive Offices) (Number and Street, City, State, Zip Code) Telephone Number (including Area Code)

Brief Description of Business

**Healthcare marketing and consulting.**



**Corcoran, John**

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

**100 Woodbridge Center Drive, Woodbridge, New Jersey 07095**

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

Full Name (Last name first, if individual)

**Sivori, Jim**

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

**100 Woodbridge Center Drive, Woodbridge, New Jersey 07095**

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

Full Name (Last name first, if individual)

**Cossman, Peter**

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

**100 Woodbridge Center Drive, Woodbridge, New Jersey 07095**

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

Full Name (Last name first, if individual)

**Tyndall, Paul R.**

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

**100 Woodbridge Center Drive, Woodbridge, New Jersey 07095**

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

Full Name (Last name first, if individual)

**Black, John**

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

**100 Woodbridge Center Drive, Woodbridge, New Jersey 07095**

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

Full Name (Last name first, if individual)

**Brock, Patty**

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

**100 Woodbridge Center Drive, Woodbridge, New Jersey 07095**

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

Full Name (Last name first, if individual)

**Frank, Frederick**

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

100 Woodbridge Center Drive, Woodbridge, New Jersey 07095

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

Full Name (Last name first, if individual)

Mnaymneh, Sami

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

100 Woodbridge Center Drive, Woodbridge, New Jersey 07095

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

Full Name (Last name first, if individual)

Greg Bondick

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

100 Woodbridge Center Drive, Woodbridge, New Jersey 07095

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)

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

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

B. INFORMATION ABOUT OFFERING

Yes No

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering?    
Answer also in Appendix, Column 2, if filing under ULOE

2. What is the minimum investment that will be accepted from any individual?..... \$ N/A

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.

Full Name (Last name first, if individual)  
N/A  
Business or Residence Address (Number and Street, City, State, Zip Code)  
Name of Associated Broker or Dealer

State 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

State 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

State 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)

**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. (SEE THE ATTACHED EXHIBIT FOR A DESCRIPTION OF THE TRANSACTIONS)

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt.....	\$ <u>0</u>	\$ <u>0</u>
Equity (liquidation preference amounts).....	\$ <u>57,410,807</u>	\$ <u>57,410,807</u>
<input checked="" type="checkbox"/> Common <input checked="" type="checkbox"/> Preferred		
Convertible Securities (including warrants).....	\$ <u>23,314</u>	\$ <u>23,314</u>
Partnership Interests.....	\$ <u>0</u>	\$ <u>0</u>
Other (Specify _____).....	\$ <u>0</u>	\$ <u>0</u>
Total.....	\$ <u>57,434,121</u>	\$ <u>57,434,121</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>32</u>	\$ <u>57,430,371</u>
Non-accredited Investors.....	<u>9</u>	\$ <u>3,750</u>
Total (for filings under Rule 504 only).....	<u>41</u>	\$ <u>57,434,121</u>

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, 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 type="checkbox"/>	\$ 0
Printing and Engraving Costs .....	<input type="checkbox"/>	\$ 0
Legal Fees .....	<input type="checkbox"/>	\$ 750,000
Accounting Fees .....	<input type="checkbox"/>	\$ 50,000
Engineering Fees .....	<input type="checkbox"/>	\$ 0
Sales Commissions (specify finders' fees separately) .....	<input type="checkbox"/>	\$ 450,000
Other Expenses (identify) .....	<input type="checkbox"/>	\$ 1,467,500
CapitalSource Fees		\$ 512,500
H.I.G. Capital Fees		\$ 400,000
Misc. Closing Expenses		\$ 100,000
Escrow Fees		\$ 5,000
Total .....	<input type="checkbox"/>	\$ 2,267,500

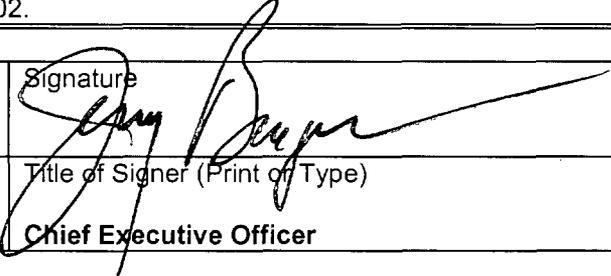
b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer."..... \$ 55,166,621

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 4b. above.

	Payments to Officers, Directors, & Affiliates	Payments to Others
Salaries and fees .....	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 2,267,500
Purchase of real estate.....	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
Purchase, rental or leasing and installation of machinery and equipment.....	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
Construction or leasing of plant buildings and facilities.....	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
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"/> \$ 55,166,621
Repayment of indebtedness.....	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
Working Capital.....	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
Other (specify):.....	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
.....		
.....		
Column Totals.....	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 57,434,121
Total Payments Listed (column totals added).....	<input type="checkbox"/> \$ 57,434,121	

**D. FEDERAL SIGNATURE**

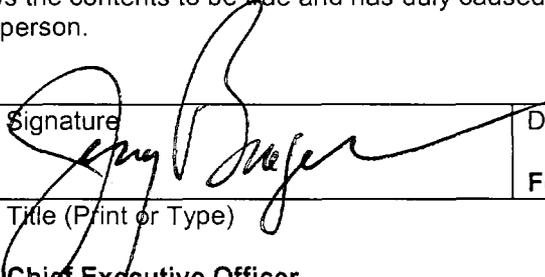
The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information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

Issuer (Print or Type)	Signature	Date
<b>HealthSTAR Communications, Inc.</b>		<b>February 11, 2003</b>
Name of Signer (Print or Type)	Title of Signer (Print or Type)	
<b>Jerry Brager</b>	<b>Chief Executive Officer</b>	

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

**E. STATE SIGNATURE**

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

Issuer (Print or Type)	Signature	Date
<b>HealthSTAR Communications, Inc.</b>		<b>February 11, 2003</b>
Name of Signer (Print or Type)	Title (Print or Type)	
<b>Jerry Brager</b>	<b>Chief Executive Officer</b>	

*Instructions:*

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.

## EXHIBIT

### *Optima Acquisition*

In a transaction intended to qualify as tax-free under Section 351 of the Code, HealthSTAR Communications, Inc., a Delaware corporation formerly known as HealthSTAR Communications II, Inc. ("HealthSTAR"), has acquired Optima Educational Solutions, Inc., an Illinois corporation ("Optima"), pursuant to the terms of a Contribution Agreement by and among Optima, the stockholders of Optima (the "Optima Stockholders"), and HealthSTAR (the "Optima Contribution Agreement"), whereby the Optima Stockholders contributed their respective shares of capital stock in Optima to HealthSTAR in exchange for an aggregate amount equal to \$40,000,000, consisting in part of shares of the Class 3 Series B Preferred Stock of HealthSTAR valued at \$11,500,000 (the "Optima Acquisition").

In order to finance the Optima Acquisition, HealthSTAR, Inc., a Delaware corporation formerly known as HealthSTAR Communications, Inc. ("HealthSTAR, Inc."), (i) borrowed \$20.5 million from its lenders (the "Optima Loan"), (ii) sold shares of Series A Preferred Stock of HealthSTAR, Inc. valued at \$3,500,000, and (iii) issued shares of Series A Preferred Stock of HealthSTAR, Inc. valued at \$600,000 in connection with the Optima Loan.

### *The Reorganization*

In a transaction intended to qualify as tax-free under Section 351 of the Code and under Section 368(a)(1)(B) of the Code, (i) the stockholders of HealthSTAR, Inc. contributed all of their respective shares of capital stock and rights to acquire shares of capital stock of HealthSTAR, Inc. (collectively, the "HealthSTAR, Inc. Stock") to HealthSTAR in exchange for the same number and class of capital stock or rights to acquire shares of capital stock of HealthSTAR with the identical rights, preferences and privileges as represented by the HealthSTAR, Inc. Stock (the "Reorganization").

Pursuant to the Reorganization, (i) HealthSTAR, Inc. remained the borrower under the debt agreements and HealthSTAR became a guarantor under such agreements; (ii) HealthSTAR is the obligor under the seller notes issued in connection with the Optima Acquisition; and (iii) HealthSTAR shall issue shares of Series A Preferred Stock of HealthSTAR upon the tender of certain notes.

Upon the closing of the Optima Acquisition and consummation of the Reorganization, (i) HealthSTAR Inc. became a wholly-owned subsidiary of HealthSTAR, (ii) HealthSTAR filed with the Secretary of State of the State of Delaware an amendment to its Amended and Restated Certificate of Incorporation to change its name to "HealthSTAR Communications, Inc.", and (iii) HealthSTAR, Inc. filed with the Secretary of State of the State of Delaware an amendment to its Amended and Restated Certificate of Incorporation to change its name to "HealthSTAR, Inc."