

FORM D

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

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

SEC USE ONLY	
Prefix	Serial
DATE RECEIVED	

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

Blue Water Venture Fund III, L.L.C.: Limited Liability Company Interests

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.)

Blue Water Venture Fund III, L.L.C. (the "Fund" or "Issuer")

Address of Executive Offices (Number and Street, City, State, Zip Code) Telephone Number (including Area Code)
1420 Beverly Road, Suite 300, McLean, Virginia 22101 703 790-8821

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

Brief Description of Business

Invest primarily in small private expansion or mid-stage technology companies seeking capital for business expansion, product development and strategic acquisition opportunities.

Type of Business Organization

corporation limited partnership, already formed Limited Liability Company
 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) D E

PROCESSED
MAR 19 2003
THOMSON
FINANCIAL

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. 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.

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. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

Information Required: A new filing must contain all information requested. Amendments need only report the name of the issuer and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.

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. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix to the notice constitutes a part of this notice and must be completed.

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.

SEC 1972 (6-02)

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 Sole Managing Member

Full Name (Last name first, if individual)

Blue Water Capital III, L.L.C.

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

1420 Beverly Road, Suite 300, McLean, Virginia 22101

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director

Managing Director of Blue Water Capital III, L.L.C.

Full Name (Last name first, if individual)

Barratt, Jr., Henry D.

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

c/o Blue Water Capital III, L.L.C., 1420 Beverly Road, Suite 300, McLean, Virginia 22101

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director

Managing Director of Blue Water Capital III, L.L.C.

Full Name (Last name first, if individual)

Cooke, Kim D.

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

c/o Blue Water Capital III, L.L.C., 1420 Beverly Road, Suite 300, McLean, Virginia 22101

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director

Managing Director of Blue Water Capital III, L.L.C.

Full Name (Last name first, if individual)

G. William Miller & Co., Inc.

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

1215 - 19th Street, N.W., Washington, D.C. 20036

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director

Managing Director of Blue Water Capital III, L.L.C.

Full Name (Last name first, if individual)

Priester, Wilbur M.

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

c/o Blue Water Capital III, L.L.C., 1420 Beverly Road, Suite 300, McLean, Virginia 22101

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director Managing Director

Full Name (Last name first, if individual)

The Boeing Company

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

P.O. Box 3707, Seattle, Washington 98124-2207

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director Managing

Full Name (Last name first, if individual)

Kathryn Acheson Cooke Trust

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

c/o J.P. Morgan Trust Co. of Delaware, 500 Stanton Christiana Road, Newark, Delaware 19713

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

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 Managing Director

Full Name (Last name first, if individual)

Wachovia Investors, Inc.

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

c/o Wachovia Capital Partners, 301 S. College Street, 12th Floor, Charlotte, North Carolina 28288-0732

(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 investor? \$ 500,000 *

* **This amount is subject to waiver by the sole Managing Member of the Fund.**

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.

NOT APPLICABLE

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]

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 the 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 Capital Commitment	Amount of Capital Contribution
Debt.....	\$ <u>0</u>	\$ <u>0</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) Limited Liability Company Interests ("LLC" Interests).....	\$ <u>22,500,000</u>	\$ <u>22,500,000</u>
Total.....	\$ <u>22,500,000</u>	\$ <u>22,500,000</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 of Investors	Aggregate Dollar Amount of Capital Contribution
Accredited Investors.....	<u>14</u>	\$ <u>22,500,000</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.

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, 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	<u>0</u>	\$ <u>0</u>
Regulation A.....	<u>0</u>	\$ <u>0</u>
Rule 504	<u>0</u>	\$ <u>0</u>
Total.....	<u>N/A</u>	\$ <u>N/A</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 insurer. 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 of Agent's Fees.....	<input type="checkbox"/>	\$ <u>0</u>
Printing and Engraving Costs.....	<input checked="" type="checkbox"/>	\$ <u>15,000</u>
Legal Fees.....	<input checked="" type="checkbox"/>	\$ <u>69,000</u>
Accounting Fees.....	<input type="checkbox"/>	\$ <u>0</u>
Engineering Fees.....	<input type="checkbox"/>	\$ <u>0</u>
Sales Commissions (specify finders' fees separately).....	<input type="checkbox"/>	\$ <u>0</u>
Other Expenses (identify) <u>Travel Expenses</u>	<input checked="" type="checkbox"/>	\$ <u>69,000</u>
Total	<input checked="" type="checkbox"/>	\$ <u>153,000</u>

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

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."

\$22,347,000

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.

		Payments to Officers, Directors & Affiliates		Payments to Others
Salaries and fees.....	<input type="checkbox"/>	\$ 0	<input type="checkbox"/>	\$ 0
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	<input type="checkbox"/>	\$ 0	<input type="checkbox"/>	\$ 0
Repayment of indebtedness	<input type="checkbox"/>	\$ 0	<input type="checkbox"/>	\$ 0
Working capital.....	<input type="checkbox"/>	0	<input checked="" type="checkbox"/>	\$ 22,347,000
Other (specify): <u>Payment of management fees</u>	<input type="checkbox"/>	\$ 0	<input type="checkbox"/>	\$ 0 ^{1/}
Column Totals.....	<input type="checkbox"/>	\$ 0	<input checked="" type="checkbox"/>	\$ 22,347,000
Total Payments Listed (column totals added).....	<input checked="" type="checkbox"/>	\$		22,347,000

^{1/} The Managing Member of Blue Water Venture Fund III, L.L.C. (the "Fund") is entitled to a management fee per annum (the "Management Fee") equal to 2.5% of the aggregate subscriptions of the Fund's members from April 1, 2002 through the end of calendar year 2008. Thereafter, beginning with calendar year 2009, the Management Fee will equal 2.5% of the excess of the aggregate subscriptions over the basis (as defined in Section 1011 of the Internal Revenue Code of 1986, as amended) in portfolio investments disposed of, distributed or written off for tax purposes, but in no event less than 1% per quarter of the aggregate subscriptions. Out of the Management Fee the Managing Member pays all expenses associated with administering the business of the Fund including office rental, support and general services and the cost of outside consultants and legal and accounting expenses incurred in connection with investigating, documenting and monitoring the Fund's investments.

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) Blue Water Venture Fund III, L.L.C. By: Blue Water Capital III, L.L.C., Managing Member	Signature 	Date March <u>13</u> , 2003
Name of Signer (Print or Type) HENRY D. BARRATT, JR.	Title of Signer (Print or Type) Managing Director of Blue Water Capital III, L.L.C.	