
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 the 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.

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

* Manager of Hennessey Holdings, LLC

Full Name (Last name first, if individual)
Hennessey, Timothy

Business or Residence Address (Number and Street, City, State, Zip Code)
Regus Business Centre #131, 303 Twin Dolphin Drive, Redwood City, CA 94065

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

* of Sequoia Property Management, Inc.

Full Name (Last name first, if individual)

Covington, Philippe

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

1711 Colgate Circle, La Jolla, CA 92037

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

Sequoia Property Management, Inc., a California corporation

Full Name (Last name first, if individual)

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

7071 Convoy Court, Suite 118, San Diego, CA 92111

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

Covington Family Trust, 12/19/01

Full Name (Last name first, if individual)

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

1711 Colgate Circle, La Jolla, CA 92037

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

Hennessey Holdings, LLC

Full Name (Last name first, if individual)

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

Regus Business Centre #131, 303 Twin Dolphin Drive, Redwood City, CA 94065

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

Derek Tatsuo Someda Trust, 2/28/92

Full Name (Last name first, if individual)

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

1920 Galveston Street, San Diego, CA 92110

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

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

Full Name (Last name first, if individual)

Geyer, Steve

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

1831 Clove Street, San Diego, CA 92106

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

First Regional Bank, Custodian for the Benefit of John M. Rooney, c/o John M. Rooney

Full Name (Last name first, if individual)

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

12520 High Bluff Drive, Suite 275, San Diego, CA 92130

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

Full Name (Last name first, if individual)

Graham, G. Andrew, III

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

15831 Prairie Vista Road, Poway, CA 92064

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

Andrew Marc Kaplan Trust

Full Name (Last name first, if individual)

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

8492 Cliffridge Avenue, La Jolla, CA 92037

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)

(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.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt	\$ _____	\$ _____
Equity	\$ 210,000.00	\$ 210,000.00
<input type="checkbox"/> Common <input type="checkbox"/> Preferred		
Convertible Securities (including warrants)	\$ _____	\$ _____
Partnership Interests	\$ _____	\$ _____
Other (specify) _____	\$ _____	\$ _____
Total	\$ 210,000.00	\$ 210,000.00

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 Purchases
Accredited Investors	4	\$ 135,000.00
Non-accredited Investors	3	\$ 75,000.00
Total (for filings under Rule 504 only)	7	\$ 210,000.00

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 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 type="checkbox"/>	\$ _____
Legal Fees	<input checked="" type="checkbox"/>	\$ 2,000.00
Accounting Fees	<input type="checkbox"/>	\$ _____
Engineering Fees.....	<input type="checkbox"/>	\$ _____
Sales Commissions (Specify finder's fees separately).....	<input type="checkbox"/>	\$ _____
Other Expenses (identify) _____	<input type="checkbox"/>	\$ _____
Total.....	<input checked="" type="checkbox"/>	\$ 2,000.00

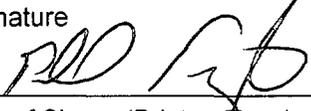
4.b. Enter the difference between the aggregate offering price given in response to Part C-Question 1 and total expenses furnished in response to Part C-Question 4.a. This difference is the "adjusted gross proceeds to the issuer." \$ 208,000.00

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"/>	\$ _____	<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 or another issuer pursuant to a merger	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Repayment of indebtedness	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Working capital	<input checked="" type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ 2,000.00
Other (specify) <u>Purchase of Principal Asset</u>	<input checked="" type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ 193,000.00
<u>Organizational expenses, legal fees in connection</u>	<input checked="" type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ 13,000.00
<u>with purchase of assets, travel expenses</u>	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Column Totals.....	<input type="checkbox"/>	\$ _____	<input type="checkbox"/> \$ _____
Total Payments Listed (column totals added)		<input type="checkbox"/> \$ 208,000.00	

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) Payroll Credit Clearing, LLC	Signature 	Date 6-9-03
Name of Signer (Print or Type) By: Sequoia Property Management, Inc., a California corporation, Manager	Title of Signer (Print or Type) By: Philippe Covington, President	

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

E. STATE SIGNATURE

- 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.
- 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.
- The undersigned issuer hereby undertakes to furnish to any state administrators, upon written request, information furnished by the issuer to offerees.
- 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)	Signature	Date
Name of Signer (Print or Type)	Title of Signer (Print or Type)	

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.

APPENDIX

1	2		3	4				5	
	Intended to sell to non-accredited investors in State (Part B-Item 1)			Type of security and aggregate offering price offered in State (Part C-Item 1)	Type of investor and amount purchased in State (Part C-Item 2)				Disqualification under State ULOE (if yes, attach explanation of waiver granted (Part E-Item 1))
State	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
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									

1	2		3	4				5	
	Intended to sell to non-accredited investors in State (Part B-Item 1)		Type of security and aggregate offering price offered in State (Part C-Item 1)	Type of investor and amount purchased in State (Part C-Item 2)				Disqualification under State ULOE (if yes, attach explanation of waiver granted (Part E-Item 1))	
State	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
NV									
NH									
NJ									
NM									
NY									
NC									
ND									
OH									
OK									
OR									
PA									
RI									
SC									
SD									
TN									
TX									
UT									
VT									
VA									
WA									
WV									
WI									
WY									
PR									

<http://www.sec.gov/divisions/corpfm/forms/formd.htm>

Last update: 06/06/2002

Updated as of 1/14/03 from Sec Site by Betsy Loureiro