#### QUANTUM GROUP INC /FL

Form 3

October 19, 2009

### FORM 3

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

OMB APPROVAL

Expires:

3235-0104

2005

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF

Number: January 31,

Estimated average

SECURITIES SECURITIES

burden hours per response... 0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting 2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol Person \* Statement **OUANTUM GROUP INC /FL [OGP] PAULSON CAPITAL CORP** (Month/Day/Year) 02/26/2009 (Last) (First) (Middle) 4. Relationship of Reporting 5. If Amendment, Date Original Person(s) to Issuer Filed(Month/Day/Year) 811 SW NAITO (Check all applicable) PARKWAY, Â SUITE 200 (Street) 6. Individual or Joint/Group \_X\_\_ 10% Owner Director Officer \_\_X\_\_ Other Filing(Check Applicable Line) (give title below) (specify below) Form filed by One Reporting See Footnote (1) Person PORTLAND, Â ORÂ 97204 \_X\_ Form filed by More than One Reporting Person (City) (State) (Zip) Table I - Non-Derivative Securities Beneficially Owned 4. Nature of Indirect Beneficial 1. Title of Security 2. Amount of Securities Beneficially Owned Ownership Ownership (Instr. 4) (Instr. 4) Form: (Instr. 5) Direct (D) or Indirect (I) (Instr. 5) Common Stock 101,920 I See Footnote (1) Reminder: Report on a separate line for each class of securities beneficially SEC 1473 (7-02) owned directly or indirectly. 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.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative	2. Date Exercisable and	3. Title and Amount of	4.	5.	6. Nature of
Security	Expiration Date	Securities Underlying	Conversion	Ownership	Indirect Beneficial
(Instr. 4)	(Month/Day/Year)	Derivative Security	or Exercise	Form of	Ownership
		(Instr. 4)	Price of	Derivative	(Instr. 5)
	Expiration Date	Title	Derivative	Security:	
			Security	Direct (D)	

#### Edgar Filing: QUANTUM GROUP INC /FL - Form 3

	Date Exercisable			Amount or Number of Shares		or Indirect (I) (Instr. 5)	
Class A Warrants (Right to buy Common Stock)	12/12/2008	12/12/2012	Common Stock	65,796	\$ 7	I	See Footnote (1)
Class B Warrants (Right to buy Common Stock)	12/12/2008	12/12/2012	Common Stock	65,796	\$ 11	I	See Footnote (1)
Underwriter Warrants (Right to buy Units)	12/12/2008	12/12/2012	Common Stock	588,000 (2)	\$ 13.2 (2)	I	See Footnote (1)
Convertible Promissory Note (Convertible into Common Stock)	01/12/2009	03/31/2009(3)	Common Stock (3)	200,000 (3)	\$ 0.425 (3)	I	See Footnote (1)
Convertible Promissory Note (Convertible into Common Stock)	02/10/2009	04/30/2009(3)	Common Stock (3)	250,000 (3)	\$ 0.425 (3)	I	See Footnote (1)
Convertible Promissory Note (Convertible into Common Stock)	02/26/2009	05/31/2009(3)	Common Stock (3)	235,294 (3)	\$ 0.425 <u>(3)</u>	I	See Footnote (1)

# **Reporting Owners**

Reporting Owner Name / Address	Relationships				
Treporting of their removers	Director	10% Owner	Officer	Other	
PAULSON CAPITAL CORP 811 SW NAITO PARKWAY SUITE 200 PORTLAND, OR 97204	Â	ÂΧ	Â	See Footnote (1)	
PAULSON JACQUELINE M 811 SW NAITO PARKWAY SUITE 200 PORTLAND, OR 97204	Â	ÂΧ	Â	See Footnote (1)	
PAULSON CHESTER L F 811 SW NAITO PARKWAY SUITE 200 PORTLAND, OR 97204	Â	ÂX	Â	See Footnote (1)	

# **Signatures**

Carol A. Rice, Attorney-in-Fact for Chester L.F. Paulson	10/19/2009
**Signature of Reporting Person	Date
Carol A. Rice, Attorney-in-Fact for Jacqueline M. Paulson	10/19/2009
**Signature of Reporting Person	Date
Carol A. Rice, Authorized Agent for Paulson Capital Corp.	10/19/2009

Reporting Owners 2

#### Edgar Filing: QUANTUM GROUP INC /FL - Form 3

\*\*Signature of Reporting Person

Date

Carol A. Rice, Authorized Agent for Paulson Family LLC

10/19/2009

\*\*Signature of Reporting Person

Date

Carol A. Rice, Authorized Agent for Paulson Investment

Co., Inc.

10/19/2009

\*\*Signature of Reporting Person

Date

### **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 5(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Form filed by more than one reporting person. In addition to Paulson Capital Corp. (PLCC), the following are reporting parties: Chester L.F. Paulson, Jacqueline M. Paulson Family LLC (LLC) and Paulson Investment Company, Inc. (PICI). These reporting parties collectively own over 10%. The address for each of the reporting parties is the same as that provided for PLCC. PICI is a registered broker-dealer and a wholly owned subsidiary of PLCC. Mr. and Mrs. Paulson are controlling managers of the LLC, which is a controlling

- shareholder of PLCC, which is the parent company of PICI. Mr. and Mrs. Paulson and the LLC expressly disclaim any beneficial ownership of securities held in the name of PLCC and PICI.
- The Reporting Persons own 84,000 Underwriter Warrants. One (1) Underwriter Warrant is excercisable at \$13.20 into one Unit of The Quantum Group Inc. Each Unit consist of three (3) shares of common stock, two (2) Class A warrants and two (2) Class B Warrants. Each Class A Warrant is exercisable at \$7.00 into one (1) shares of common stock and expire December 12, 2012. Each Class B Warrant is exercisable at \$11.00 into one (1) share of common stock and expire December 12, 2012.
- Three (3) convertible promissory notes dated 01/12/2009, 02/10/2009, and 02/26/2009 are convertible into shares of common stock at \$0.425 per share. The three (3) convertible promissory notes mature 03/31/2009, 04/30/2009, and 05/31/2009 respectively, but do not expire. If promissory note is not paid in full by maturity date, the convertible promissory notes continue with the same convertible terms.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Signatures 3