EP MEDSYSTEMS INC Form SC 13G February 02, 2001

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934 (Amendment No.) *		
EP Medsystems Inc.		
(Name of Issuer)		
Common		
(Title of Class of Securities)		
026881P103		
(CUSIP Number)		
12/31/00		
(Date of Event Which Requires Filing of this Statement)		
Check the appropriate box to designate the rule pursuant to which this Schedule is filed:		
/x/ Rule 13d-1(b)		
/ / Rule 13d-1(c)		
/ / Rule 13d-1(d)		
*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of		

securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 026881P103 (1) Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only). Hambrecht & Quist Capital Management 94-3021090

	ck the Appropriate a Group (See Instru		
(3) SEC	Use Only		
(4) Cit	izenship or Place o	of Organization	
Number of Shares Beneficially Owned by		(5) Sole Voting Power 1,075,000	
Each Reporting Person With:		(6) Shared Voting Power	
		(7) Sole Dispositive Power	
		(8) Shared Dispositive Power	
(9) Agg	=	ficially Owned by Each Reporting Person	
	· ·	e Amount in Row (9) Excludes Certain Shares (See	
(11) Per 8.97	cent of Class Repre	esented by Amount in Row (9)	
(12) Typ	e of Reporting Pers	son (See Instructions)	
ITEM 1.			
(a)	Name of Issuer EP MedSystems		
(b)		s's Principal Executive Offices , Suite 107, Mt. Arlington, NJ 07856	
ITEM 2.			
(a)	Name of Person Filing Hambrecht & Quist Capital Management Incorporated		
(b)	Address of Principal Business Office or, if none, Residence 30 Rowes Wharf-4th Floor, Boston, MA 02110-3328		
(c)	Citizenship California Corporation		
(d)	Title of Class of Securities Common stock		
(e)	CUSIP Number 026881P103		

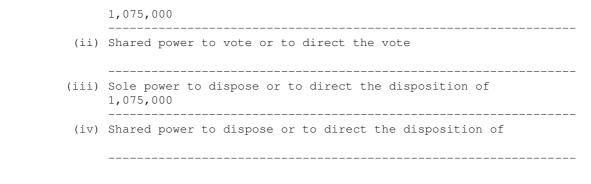
- ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO SECTIONS 240.13d-1(b) OR 240.13d-2(b) OR (c), CHECK WHETHER THE PERSON FILING IS A:
 - (a) / Broker or dealer registered under section 15 of the Act (15 U.S.C. 780).
 - (b) / / Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
 - (c) / Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
 - (d) / Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
 - (e) /x/ An investment adviser in accordance with section 240.13d-1 (b) (1) (ii) (E).
 - (f) / An employee benefit plan or endowment fund in accordance with section 240.13d-1 (b) (1) (ii) (F).
 - (g) / A parent holding company or control person in accordance with section 240.13d-1 (b) (1) (ii) (G).
 - (h) / A savings association as defined in section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813).
 - (i) / A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3).
 - (j) / Group, in accordance with section 240.13d-1(b)(1)(ii)(J).

ITEM 4. OWNERSHIP

Hambrecht & Quist Capital Management Incorporated ("HQCM") disclaims any beneficial interest in the shares reported in this Schedule 13G. Moreover, HQCM is of the view that the client accounts that it manages are not acting as a "group" for purposes of Section 13(d) under the Securities and Exchange Act of 1934 (the "1934 Act") and that it and such clients are not otherwise required to attribute to each other the "beneficial ownership" of securities "beneficially owned" under Rule 13d-3 promulgated under the 1934 Act. Therefore, HQCM is of the view that the shares held in such accounts should not be aggregated for purposes of Section 13(d). However, HQCM is making this filing on a voluntary basis as if all the shares are beneficially owned by HQCM on a joint basis.

- (a) Amount beneficially owned:
 1,075,000 shares of Common stock beneficially owned
- -----
- (b) Percent of class:
- 8.97% of Common

- (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote



ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following. /

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON

Of the 1,075,000 shares of the Common stock reported above, 645,000 shares are held by H&Q Healthcare Investors, a registered investment company, which represents 5.38% of the issuer's Outstanding Common stock.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY

N/A

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP

N/A

ITEM 9. NOTICE OF DISSOLUTION OF GROUP

N/A

ITEM 10. CERTIFICATION

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

1/23/01			
Date			
/s/ Kim Carroll			
Signature			
Kim Carroll, Vice President			

Hambrecht & Quist Capital Management Incorporated

Name/Title