

U.S. Securities and Exchange Commission
Washington, D.C. 20549

FORM 10-KSB
Amendment No. 1

(Mark One)

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1999

or

TRANSITION REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from _____ to _____

Commission File Number 0-21467

FIRST PRIORITY GROUP, INC.

(Name of small business issuer in its charter)

NEW YORK

(State or other jurisdiction of
incorporation or organization)

11-2750412

(I.R.S. Employer
Identification No.)

51 East Bethpage Road
Plainview, New York 11803
(Address of principal executive offices) (Zip Code)

Registrant's telephone number: (516) 694-1010

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act:
Common Stock par value \$.015 per share
Preferred Stock Purchase Rights par value \$.01 per share

Check whether the issuer (1) filed all reports required to be filed by
Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such
shorter period that the registrant was required to file such reports), and (2)
has been subject to such filing requirements for the past 90 days.

Yes No

Check if there is no disclosure of delinquent filers pursuant to Item
405 of Regulation S-B contained in this form, and no disclosure will be
contained, to the best of registrant's knowledge, in definitive proxy or
information statements incorporated by reference in Part III of this Form 10-KSB
or any amendment to this Form 10-KSB.

State the issuer's revenues for its most recent fiscal year \$12,135,578

The aggregate market value of the issuer's voting stock held by
non-affiliates of the issuer as of April 28, 2000, based upon the closing price
on the date thereof is \$18,238,162.

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

As of April 28, 2000, the issuer had outstanding a total of 8,806,999
shares.

DOCUMENTS INCORPORATED BY REFERENCE:

Transitional Small Business Disclosure Format (check one):

Yes No

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PART III

Item 9. Directors, Executive Officers, Promoters and Control Persons;
Compliance With Section 16(a) of the Exchange Act

Barry Siegel has served as a director of the Corporation since its inception. In January 1998, Mr. Siegel again assumed the position of Treasurer of the Corporation. Mr. Siegel became Chief Executive Officer of the Corporation in November 1997, and continued to serve as Chairman of the Board and Secretary to the Corporation. Previously, he served as Chairman of the Board of Directors, Co-Chief Executive Officer, Treasurer and Secretary of the Corporation from August 1997 through November 1997. From October 1987 through August 1997, he served as Co-Chairman of the Board of Directors, Co-Chief Executive Officer, Treasurer and Secretary to the Corporation. He has served as Treasurer and Secretary of National Fleet Service, Inc. for more than five years. Mr. Siegel is married to Lisa Siegel.

Barry J. Spiegel

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Barry J. Spiegel has served as President of the Corporation's Affinity Services Division since September 1996. Previously, he served as President of American International Insurance Associates, Inc. from January 1996 through August 1996. For more than five years prior thereto, Mr. Spiegel served as Senior Vice President at American Bankers Insurance Group, Inc.

Gerald M. Zutler

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Gerald M. Zutler was appointed President and Chief Operating Officer in March 1998. Between 1997 and 1998, Mr. Zutler was a private consultant. From 1993 through 1996, Mr. Zutler was President of Lockheed Martin Canada.

Kenneth J. Friedman

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Kenneth J. Friedman was elected to the Board of Directors in October 1998. For more than five years, Mr. Friedman has been President of the Primary Group, Inc., an executive search consultant.

R. Frank Mena

R. Frank Mena was elected to the Board of Directors on May 13, 1999. Mr. Mena is both a technologist and developer by background. He was a founder and Executive Vice President and Chief Technology Officer of Cheyenne Software. Presently, he acts as a consultant in the computer systems industry.

Compliance With Section 16(a) of the Exchange Act

Barry Siegel held stock options for the right to purchase an aggregate of 1,100,000 shares of the Company's common stock that were repriced on October 4, 1999. He did not file a Form 4 on a timely basis. Instead, he reported these option grants in the Form 5.

Barry J. Spiegel held stock options for the right to purchase 330,000 shares that were repriced on October 4, 1999. He did not file a Form 4 on a timely basis. Instead, he reported these option grants in the Form 5.

Gerald M. Zutler held stock options for the right to purchase 415,000 shares that were repriced on October 4, 1999. He did not file a Form 4 on a timely basis. Instead, he reported these option grants in the Form 5.

Lisa Siegel held stock options for the right to purchase 175,000 shares that were repriced on October 4, 1999. She did not file a Form 4 on a timely basis. Instead, she reported these option grants in the Form 5.

Kenneth J. Friedman held stock options for the right to purchase up to 30,000 shares and stock options for the right to purchase up to 100,000 shares through his ownership and control of the Primary Group, Inc., all that were repriced on October 4, 1999. He did not file a Form 4 on a timely basis. Instead, he reported these option grants in the Form 5.

R. Frank Mena held stock options for the right to purchase up to 15,000 shares that were repriced on October 4, 1999. Additionally, Mr. Mena was granted stock options for the right to purchase up to 60,000 shares in lieu of cash for consulting services provided to the Company. He reported these options grants in Form 5.

BOARD OF DIRECTORS AND COMMITTEES

The Board of Directors has the responsibility to serve as the representative of the Shareholders. The Board establishes broad corporate policies and oversees the overall performance of the Company. However, the Board is not involved in day-to-day operating details. Members of the Board are kept informed of the Company's business activities through discussion with the Chief Executive Officer, by reviewing analyses and reports sent to them by management and by participating in board meetings. At present, the Board of Directors has one standing committee, the Audit Committee. Presently, the members of the Audit Committee are Kenneth J. Friedman, R. Frank Mena and Barry J. Spiegel. The Audit Committee did not meet in 1999.

During 1999 the Board of Directors did not hold any meetings that were attended by members of the Board either in person or via telephone, but the Board approved resolutions with unanimous written consent in lieu of a meeting on seven occasions in 1999. Directors received no compensation for their service on the Board of Directors. However, non-employee directors receive an annual stock option grant of 15,000 shares

of the Company's common stock.

Item 10. Executive Compensation

(b) Summary Compensation Table

SUMMARY COMPENSATION TABLE

(a) Name and Principal Position	Annual Compensation		
	(b) Year	(c) Salary (\$)	(d) Bonus (\$)
Barry Siegel Chairman of the Board of Directors, Treasurer, Secretary and Chief Executive Officer	1999	\$215,385	\$0
	1998	\$279,423	\$0
	1997	\$198,846	\$0
Gerald Zutler President	1999	\$137,211	\$0
	1998	\$98,340	\$0
	1997	\$0	\$0
Barry J. Spiegel President, Affinity Services Division	1999	\$104,249	\$0
	1998	\$104,499	\$0
	1997	\$89,730	\$0

(c) Options/SAR Grants Table

Option/SAR Grants in Last Fiscal Year

Individual Grants

<TABLE>
<CAPTION>

(a) Name	(b) Number of Securities Underlying Options/SARs Granted (#)	(c) % of Total Options/SARs Granted to Employees in Fiscal Year	(d) Exercise or Base Price (\$/Sh)	(e) Expiration Date
<S>		<C>	<C>	<C>
Barry Siegel (1)	300,000	12.4%	\$.825	9/30/00
Barry Siegel (1)	100,000	4.1%	\$.825	9/7/02
Barry Siegel (1)	200,000	8.2%	\$.825	3/4/04
Barry Siegel (1)	400,000	16.5%	\$.825	10/8/03
Barry Siegel (1)	100,000	4.1%	\$.825	3/4/04
Gerald M. Zutler (1)	300,000	12.4%	\$.75	6/30/03
Gerald M. Zutler (1)	100,000	4.1%	\$1.25	11/23/04
Gerald M. Zutler (1)	15,000	.6%	\$.75	3/4/04
Barry J. Spiegel (1)	250,000	10.3%	\$.75	6/30/03
Barry J. Spiegel (1)	50,000	2.1%	\$.75	8/18/01
Barry J. Spiegel (1)	30,000	1.2%	\$.75	3/4/04

</TABLE>

(1) Options terminated and re-granted at new exercise price.

(d) Aggregated Option/SAR Exercises and Fiscal Year-End Option/SAR Value Table

<TABLE>
<CAPTION>

(a) Name	(b) Shares Acquired on Exercise (#)	(c) Value Realized (\$)	(d) Number of Securities Underlying Unexercised Options/SARs at FY-End (#)	(e) Value of Unexercised In-the-Money Options/SARs at FY-End (\$)
			Exercisable/ Unexercisable	Exercisable/ Unexercisable

<S>	<C>	<C>	<C>	<C>
Barry Siegel	None	None	899,333/300,667	\$1,506,382/\$503,617
Gerald M. Zutler	None	None	215,000/200,000	\$376,250/\$350,000
Barry J. Spiegel	None	None	163,333/166,167	\$285,832/\$290,792

</TABLE>

(f) Compensation of Directors

No compensation is paid to the directors in consideration of the director's service on the board. However, the 1995 Stock Incentive Plan provides that non-employee directors of the Company shall be granted non-statutory stock options for 15,000 shares of the Company's common stock on the date of election to the Board and upon every successive anniversary date of his or her initial election.

(g) Employment contracts and termination of employment and change in control arrangements.

The Company has employment agreements with its two principal officers, Barry Siegel and Gerald M. Zutler. Mr. Siegel's employment agreement commenced on July 1, 1998 and expires on December 31, 2001. The agreement provides for an annual salary of \$300,000. Mr. Zutler's employment agreement commenced on July 1, 1998 and expires on June 30, 2001. Mr. Zutler's annual base salary is \$150,000. Both executives participate in the Company's Corporate Compensation Program.

Mr. Siegel's employment agreement contains a change in control provision whereby Mr. Siegel, following a change of control as defined in the agreement, would receive: (a) a severance payment of 300 percent of the average annual salary for the past five years, less \$100; (b) the cash value of the outstanding, but unexercised stock options, and (c) other perquisites, should the executive be terminated for various reasons as defined in the agreement. The agreements provide that in no event, shall the severance payment exceed the amount deductible by the Company under the provisions of the Internal Revenue Code.

Mr. Zutler's employment agreement contains a change in control provision whereby Mr. Siegel, following a change of control as defined in the agreement, would receive: (a) a severance payment of 200 percent of the average annual salary for the past five years, less \$100; (b) the cash value of the outstanding, but unexercised stock options, and (c) other perquisites, should the executive be terminated for various reasons as defined in the agreement. The agreements provide that in no event, shall the severance payment exceed the amount deductible by the Company under the provisions of the Internal Revenue Code.

The Company entered into an employment agreement with Barry J. Spiegel that commenced on July 1, 1998 and expires on June 30, 2001. The agreement provides for a base salary of \$130,000 per annum. Additionally, Mr. Spiegel participates in the Company's Corporate Compensation Program. Mr. Spiegel's employment agreement provides that should a "Change in Control" occur, as defined in the agreement, all stock options previously granted shall immediately become fully exercisable.

In early 1999, several executives agreed to a voluntary reduction in their annual salaries (without changing the terms of their employment contracts). Mr. Siegel reduced his salary by \$100,000, Mr. Zutler by \$15,000 and Mr. Spiegel by \$30,000. In consideration for these salary reductions, the Company granted Mr. Siegel a stock option for 100,000 shares, Mr. Zutler a stock option for 15,000 shares and Mr. Spiegel a stock option of 30,000 shares.

(h) Report on repricing of options/SARs

The Company repriced all employee stock options that had an exercise price greater than the fair

market value of the Company's stock on October 4, 1999, \$.75. The Company canceled the existing options and re-granted and repriced them with the lower exercise price. The term and the exercise schedule of the new repriced option was identical to the option that it replaced. Mr. Siegel held stock options for the right to purchase up to 1,100,000 shares that were canceled, re-granted and repriced with an exercise price of \$.825, 110% of the fair market value on the date of grant. Mr. Spiegel held stock options for the right to purchase 330,000 shares that was canceled, re-granted and repriced with an exercise price of \$.75. Mr. Zutler held stock options for the right to purchase 415,000 shares that was canceled, re-granted and repriced with an exercise price of \$.75.

The Board of Directors decided to re-price all outstanding employee stock options that had exercise prices higher than the fair market value on October 4, 1999. The Board of Directors believes that stock options are an integral component of executive compensation and must offer the executive the opportunity to benefit from appreciation of the stock price as the Company grows.

Item 11. Security Ownership of Certain Beneficial Owners and Management

The following information is as of April 28, 2000.

(a) Security ownership of certain beneficial owners.

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<TABLE>
<CAPTION>

(1) Title of Class	(2) Name and Address of Beneficial Owner	(3) Amount and Nature of Beneficial Owner	(4) Percent of Common Stock (1)
<S>	<C>	<C>	<C>
Common	Kirlin Holding Corp. 6901 Jericho Turnpike Syosset, NY. 11791	1,121,217 (2)	12.4%
Common	Kirlin Securities, Inc. 6901 Jericho Turnpike Syosset, NY. 11791	1,121,217 (3)	12.4%
Common	The Golddonet Group 221 Main Street Suite 250 San Francisco, CA 94105	845,000 (4)	9.3%

</TABLE>

- (1) The percentages set forth in this Information Statement have been calculated in accordance with Instruction 3 to Item 403 of Regulation S-B.
- (2) Includes 321,217 shares held by Kirlin Securities, Inc., a wholly owned subsidiary of Kirlin Holding Corp.
- (3) Includes 800,000 shares held by Kirlin Holding Corp., parent to Kirlin Securities, Inc.
- (4) Includes 150,000 actually owned and an option to purchase an additional 695,000 shares

from two shareholders of the Company in a private sale.

(b) Security ownership of management.

<TABLE>
<CAPTION>

(1) Title Class	(2) Name and Address of Beneficial Owner	(3) Amount and Nature of Beneficial Owner	(4) Percent of Common Stock (1)
<S>	<C>	<C>	<C>
Common	Barry Siegel c/o First Priority Group, Inc. 51 East Bethpage Road Plainview, NY 11803	1,884,400 (2)	18.5%
Common	Lisa Siegel c/o First Priority Group, Inc. 51 East Bethpage Road Plainview, NY 11803	1,884,400 (3)	18.5%
Common	Gerald Zutler c/o First Priority Group, Inc. 51 East Bethpage Road Plainview, NY 11803	215,000 (4)	2.3%
Common	Barry J. Spiegel c/o First Priority Group, Inc. 51 East Bethpage Road Plainview, NY 11803	763,333 (5)	8.26%
Common	Kenneth J. Friedman c/o First Priority Group, Inc. 51 East Bethpage Road Plainview, NY 11803	140,000 (6)	1.53%
Common	R. Frank Mena c/o First Priority Group, Inc. 51 East Bethpage Road Plainview, NY 11803	75,000 (7)	.82%
Common	Directors and officers as a group	2,660,067	28.91%

</TABLE>

- (1) The percentages set forth in this Annual Report on Form 10-KSB have been calculated in

