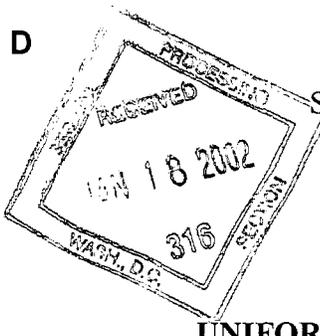


21-39061



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

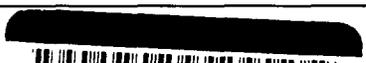
OMB APPROVAL	
OMB NUMBER:	3235-0076
Expires:	May 31, 2002
Estimated average burden hours per response . . .	16.00

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.) MegaStar Financial Corp., 12% Series I Subordinated Debentures

Filing Under (Check box(es) that apply): ( ) Rule 504 ( ) Rule 505 (x) Rule 506 ( ) Section 4(6) ( ) ULOE Type of Filing: ( ) New Filing (x) Amendment



02010259

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer (x) Check if this is an amendment and name has changed, and indicate change.) MegaStar Financial Corp.

Address of Executive Offices (Number and Street, City, State, Zip Code) 55 Madison Street, Suite 500, Denver, Co 80206 Address of Principal Business Operations (Number and Street, City, State, Zip Code) (if different from Executive Offices)

Telephone Number (including Area Code) 303-321-8800 Telephone Number (including Area Code)

Brief Description of Business Mortgage banker and mortgage broker.

Type of Business Organization (x) corporation ( ) limited partnership, already formed ( ) business trust ( ) limited partnership, to be formed

PROCESSED JAN 29 2002

Actual or Estimated Date of Incorporation or Organization: (x) Actual Month 0 1 ( ) Estimated Year 9 9

THOMSON FINANCIAL

Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State: CN for Canada; FN for other foreign jurisdiction) C O

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 kthereto, 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 precondition to fone claim for the exemption, a fee in the proper amount shall accompany one 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.

**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

Full Name (Last name first, if individual)

Pieper-Padilla, Anita

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

55 Madison Street, Suite 500, Denver, Co 80206

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

Full Name (Last name first, if individual)

Rogers, William

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

55 Madison Street, Suite 500, Denver, Co 80206

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

Full Name (Last name first, if individual)

Pieper, Scott

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

55 Madison Street, Suite 500, Denver, Co 80206

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

Full Name (Last name first, if individual)

Funke, Barbara

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

55 Madison Street, Suite 500, Denver, Co 80206

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
[ ] [x]

Answer also in Appendix, Column 2, if filing under ULOE.

2. What is the minimum investment that will be accepted from any individual? \$100,000 Yes No

3. Does the offering permit joint ownership of a single unit?..... [x] [ ]

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 or securities in the offering.

Full Name (Last name first, if individual)
Philips & Tober, Inc.

Business or Residence Address (Number and Street, City, State, Zip Code)
1610 Wynkoop Street, Suite 500, Denver, Co 80202

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

- Grid of state abbreviations with checkboxes: [ ] [AL], [x] [IL], [ ] [AK], [ ] [IN], [ ] [AZ], [ ] [IA], [ ] [AR], [ ] [KS], [ ] [CA], [ ] [KY], [x] [CO], [ ] [LA], [ ] [ME], [ ] [DE], [ ] [MD], [ ] [MA], [ ] [MI], [ ] [MN], [ ] [MS], [ ] [MO], [ ] [MT], [ ] [NE], [ ] [NV], [ ] [NH], [ ] [NJ], [ ] [NM], [x] [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

- Grid of state abbreviations with checkboxes: [ ] [AL], [ ] [IL], [ ] [AK], [ ] [IN], [ ] [AZ], [ ] [IA], [ ] [AR], [ ] [KS], [ ] [CA], [ ] [KY], [ ] [CO], [ ] [LA], [ ] [ME], [ ] [DE], [ ] [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

- Grid of state abbreviations with checkboxes: [ ] [AL], [ ] [IL], [ ] [AK], [ ] [IN], [ ] [AZ], [ ] [IA], [ ] [AR], [ ] [KS], [ ] [CA], [ ] [KY], [ ] [CO], [ ] [LA], [ ] [ME], [ ] [DE], [ ] [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]

(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 before the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt .....	\$3,300,000	\$3,300,000
Equity .....	\$0	\$0
<input type="checkbox"/> Common <input type="checkbox"/> Preferred		
Convertible Securities (including warrants).....	\$0	\$0
Warrant to purchase 805 shares of issuer's common stock for an exercise price of \$10.00 per share granted for each \$100,000 of debentures purchased.		
Partnership Interests.....	\$0	\$0
Other (Specify) .....	\$0	\$0
Total.....	\$3,300,000	\$3,300,000

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 if "none" or "zero."

	Number Investors	Aggregate Dollar Amount of Purchases
Accredited Investors .....	33	\$3,300,000
Non-accredited Investors .....	0	\$0
Total (for filings under Rule 504 only).....		

Answer also in Appendix, Column 4, if filing under ULOE.

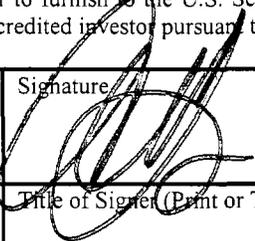
3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C - Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505 .....	_____	\$ _____
Regulation A.....	_____	\$ _____
Rule 504 .....	_____	\$ _____
Total .....	_____	\$ _____



**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 MegaStar Financial Corp.	Signature 	Date January 16, 2002
Name of Signer (Print or Type) Anita Padilla-Pieper	Title of Signer (Print or Type) President	

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