

SEC
1972
(6/02)

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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 state exemption unless such exemption is predicated on the filing of a federal notice.

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

OMB APPROVAL
OMB Number: 3235-0076
Expires: May 31, 2005
Estimated average burden hours per response.. . 1



03023946

FORM D

1085020

**NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR
UNIFORM LIMITED OFFERING EXEMPTION**

PROCESSED
JUL 02 2003

RECEIVED
JUN 30 2003
WASHINGTON, D.C. 20549
SECTION

THOMSON
FINANCIAL

SEC USE ONLY	
Prefix	Serial
DATE RECEIVED	

Name of Offering (check if this is an amendment and name has changed, and indicate change.)
Sale of Series B and B-1 Convertible Preferred Stock of Cairnstone, Inc.

Filing Under (Check box(es) that apply): Rule 504 Rule 505 Rule 506 Section 4(6) ULOE

Type of Filing: New Filing Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

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 in 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

Full Name (Last name first, if individual) American Re-Insurance Company

Business or Residence Address: 555 College Road East, Princeton, NJ 08543

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

Full Name (Last name first, if individual) Tillett, W. James

Business or Residence Address: 5201 Blue Lagoon Drive, #500, Miami, FL 33126

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

Full Name (Last name first, if individual) Rosenberger, Roger

Business or Residence Address: 5201 Blue Lagoon Drive, #500, Miami, FL 33126

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

Full Name (Last name first, if individual) Trainer, Robert

Business or Residence Address: 555 College Road East, Princeton, NJ 08543

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

Full Name (Last name first, if individual) Keller, James

Business or Residence Address: 5201 Blue Lagoon Drive, #500, Miami, FL 33126

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

Full Name (Last name first, if individual) Elliott, James

Business or Residence Address (Number and Street, City, State, Zip Code):
5201 Blue Lagoon Drive, #500, Miami, FL 33126

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

Full Name (Last name first, if individual) Fallisi, Paul

Business or Residence Address (Number and Street, City, State, Zip Code):
5201 Blue Lagoon Drive, #500, Miami, FL 33126

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

Full Name (Last name first, if individual) Stevens, Gene

Business or Residence Address (Number and Street, City, State, Zip Code):
5201 Blue Lagoon Drive, #500, Miami, FL 33126

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

Full Name (Last name first, if individual) English, Kathleen

Business or Residence Address (Number and Street, City, State, Zip Code):
5201 Blue Lagoon Drive, #500, Miami, FL 33126

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

Full Name (Last name first, if individual) Bowman, Susan

Business or Residence Address (Number and Street, City, State, Zip Code):
5201 Blue Lagoon Drive, #500, Miami, FL 33126

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

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?..... \$N/A

3. Does the offering permit joint ownership of a single unit?..... Yes No
[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 of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

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

[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] [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

[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]

	Investors	Dollar Amount of Purchases
Accredited Investors	<u>1</u>	\$ <u>4,200,000</u>
Non-accredited Investors		\$ _____
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, 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 solely 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"/> \$ <u>100,000</u>
Accounting Fees	<input type="checkbox"/> \$ _____
Engineering Fees	<input type="checkbox"/> \$ _____
Sales Commissions (specify finders' fees separately)	<input type="checkbox"/> \$ _____
Other Expenses (identify) _____	<input type="checkbox"/> \$ _____
Total	<input checked="" type="checkbox"/> \$ <u>100,000</u>

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." \$ 4,100,000

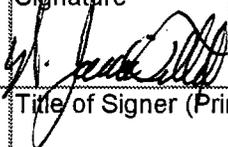
5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b above.

Payments to Officers, Payments
To

	Directors, & Affiliates	Others
Salaries and fees	[] \$ _____	[] \$ _____
Purchase of real estate	[] \$ _____	[] \$ _____
Purchase, rental or leasing and installation of machinery and equipment	[] \$ _____	[] \$ _____
Construction or leasing of plant buildings and facilities.....	[] \$ _____	[] \$ _____
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)] \$ _____	[] \$ _____
Repayment of indebtedness	[] \$ _____	[] \$ _____
Working capital	[] \$ _____	[] \$ _____
Other (specify): Repurchase of Series A preferred Shares	[] \$ 0	[X] \$ 4,100,000
	[] \$ _____	[] \$ _____
Column Totals	[X]\$ 0	[X] \$ 4,100,000
Total Payments Listed (column totals added)		<u>\$4,100,000</u>

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)	Signature	Date
Cairnstone, Inc.		6/27/03
Name of Signer (Print or Type)	Title of Signer (Print or Type)	
W. James Tillett	President	

ATTENTION

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