

1263013

FORM D

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.....	16.00

FORM D

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	

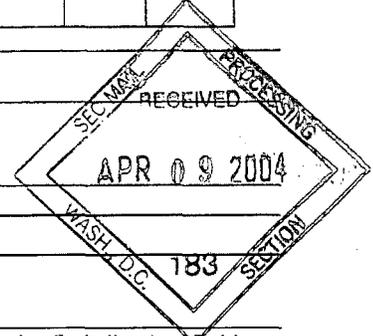


Name of Offering (check if this is an amendment and name has changed, and indicate change.)

SERIES A PREFERRED ROUND

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

Name of Issuer (check if this is an amendment and name has changed, and indicate change.)

Advocate, MD Financial Group Inc.

Address of Executive Offices (Number and Street, City, State, Zip Code)

28202 Cabot Road, Suite 300, Laguna Niguel, CA 92677

Telephone Number (Including Area Code)

(949) 365-5888

Address of Principal Business Operations (if different from Executive Offices) (Number and Street, City, State, Zip Code)

Telephone Number (Including Area Code)

Brief Description of Business

Financial Services and Insurance Holding Company

PROCESSED

APR 13 2004

THOMSON FINANCIAL

Type of Business Organization

- corporation
- limited partnership, already formed
- other (please specify):
- business trust
- limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization: Month Year Actual Estimated

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

NV

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 thereto, 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 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 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

Barnett, Daniel

Full Name (Last name first, if individual)

28202 Cabot Road, Suite 300

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

Laguna Niguel, CA 92677

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

Adams, Mark

Full Name (Last name first, if individual)

2700 Via Fortuna, Suite 400

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

Austin, TX 78746

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

Regeimbal, Dan

Full Name (Last name first, if individual)

28202 Cabot Road, Suite 300

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

Laguna Niguel, CA 92677

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

Roberts, Richard

Full Name (Last name first, if individual)

28202 Cabot Road, Suite 300

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

Laguna Niguel, CA 92677

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

Lamb, Howard

Full Name (Last name first, if individual)

2700 Via Fortuna, Suite 400

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

Austin, TX 78746

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

Davidow, Sheldon

Full Name (Last name first, if individual)

2700 Via Fortuna, Suite 400

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

Austin, TX 78746

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

Full Name (Last name first, if individual)

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

(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
 Answer also in Appendix, Column 2, if filing under ULOE.
2. What is the minimum investment that will be accepted from any individual? \$10,000
3. Does the offering permit joint ownership of a single unit? Yes No
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)

Capital Network Securities, LLC

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

2700 Via Fortuna, Suite 450, Austin, TX 78746

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)

Capital Consortium (consulting investment banker to the issuer)

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

3101 N. Central Avenue, Suite 970, Phoenix, AZ 85012

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
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.)

SUPPLEMENT TO SECTION B. - INFORMATION ABOUT OFFERING

The following individuals ("Finders") introduced certain persons or entities to the issuer for the issuer's solicitation and sale of certain of the securities in this offering, and each Finder will receive a finder's fee consisting of warrants to purchase the issuer's common stock:

NAME	WARRANTS	ADDRESS
Jill Griffin	85,000	614 Capital of Texas Hwy. Austin, Texas 78749
Amy Woodby	55,000	1306 Shannon Oaks Trails, Austin, Texas 78746
Joe Moran	30,000	2811 Harris Blvd., Austin, Texas 78703
Brad Massey	30,000	51 Cottondale Rd., Austin, Texas 78738
Capital Network Securities, LLC	28,500	2700 Via Fortuna, Suite 450, Austin, Texas 78746
TMC Consultants, Inc.	25,000	125 West Baylor Lane, Gilbert, AZ 85233
Ken Hodina	5,000	1307 S. Valley Forge Rd., Bloomington, Indiana 47401
Donald Abrams	5,000	6426 Old Harbor, Austin, Texas 78739
Clint Hampton	20,000	4417 Secluded Hollow, Austin, Texas 78727
Garrett Hale	10,000	15 Buham Court, Napa, California 94558
Neil Hoffman	12,500	4202 N. Harbour Town Ct., Anthem, AZ 85086
Kerry Peoples	6,000	1384 Edda Lane, Anaheim, CA 92802
C. Lee Cooke	15,000	2705 Bee Caves Rd., Suite #160, Austin, Texas 78746
Dan Adams	5,000	921 Tallow Trail, Cedar Park, Texas 78613
H.W. Altenhoff	5,000	618 Country Estates Drive, San Marcos, Texas 78666
Dr. John Obermiller	5,000	4709 Toreador Dr., Austin, Texas 78746
T. Ronald Davis	25,000	25424 NE 39th Way, Redmond, WA 98053

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 the answer is "none" or "zero." If the transaction is an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt	\$ _____	\$ _____
Equity	\$ 6,000,000	\$ 6,000,000
	<input type="checkbox"/> Common <input checked="" type="checkbox"/> Preferred	
Convertible Securities (including warrants)	\$ _____	\$ _____
Partnership Interests	\$ _____	\$ _____
Other (Specify _____)	\$ _____	\$ _____
Total	\$ 6,000,000	\$ 6,000,000

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 is "none" or "zero."

	Number Investors	Aggregate Dollar Amount of Purchases
Accredited Investors	79	\$ 6,000,000
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, 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	_____	\$ _____

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 insurer. 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 checked="" type="checkbox"/>	\$ 5,000
Legal Fees	<input checked="" type="checkbox"/>	\$ 105,000
Accounting Fees (including actuarial fees)	<input checked="" type="checkbox"/>	\$ 8,000
Engineering Fees	<input type="checkbox"/>	\$ _____
Sales Commissions (specify finders' fees separately)	<input checked="" type="checkbox"/>	\$ 37,450
Other Expenses (identify) (Graphic Design)	<input checked="" type="checkbox"/>	\$ 10,000
Total	<input checked="" type="checkbox"/>	\$ 165,450

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

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.”

\$ 5,834,550

5. Indicate below the amount of the adjusted gross proceed 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, Directors, & Affiliates	Payments to Others
Salaries and fees	<input checked="" type="checkbox"/> \$ <u>415,000</u>	<input type="checkbox"/> \$ _____
Purchase of real estate	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Purchase, rental or leasing and installation of machinery and equipment	<input type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$ <u>2,500</u>
Construction or leasing of plant buildings and facilities	<input type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$ <u>42,000</u>
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)	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Repayment of indebtedness	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Working capital	<input type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$ <u>1,875,050</u>
Other (specify): <u>Investment in insurance company subsidiary</u>	<input checked="" type="checkbox"/> \$ <u>3,500,000</u>	<input type="checkbox"/> \$ _____
.....	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Column Totals	<input checked="" type="checkbox"/> \$ <u>3,915,000</u>	<input checked="" type="checkbox"/> \$ <u>1,919,550</u>
Total Payments Listed (column totals added)	<input checked="" type="checkbox"/> \$ <u>5,834,550</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) Advocate, MD Financial Group Inc.	Signature 	Date March 29, 2004
Name of Signer (Print or Type) Daniel Barnett	Title of Signer (Print or Type) President	

ATTENTION

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