

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of American Investment)
Services, Inc.,)
)
)
Respondent)

**ORDER FOR CIVIL PENALTY
AND NOTICE OF RIGHT TO
REQUEST A HEARING**

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**THE SECURITIES COMMISSIONER OF THE STATE OF NORTH
DAKOTA TO AMERICAN INVESTMENT SERVICES, INC.:**

The North Dakota Securities Commissioner has conducted an investigation into the above-captioned matter, and has a reasonable basis to believe that the Respondent has engaged in, acts, practices or transactions, as more fully described below, which are prohibited under Chapter 10-04 of the North Dakota Century Code (N.D.C.C.).

1. Respondent, American Investment Services, Inc., is a securities dealer headquartered in Colorado, and previously headquartered in Illinois. For all times relevant to this matter, the firm was a registered dealer in the state of North Dakota.

2. On or around December 4, 1997, by and through its agent, Craig A. Wollenburg of Rugby, North Dakota, Respondent sold preferred stock in SPF Energy, Inc. to a then-resident of North Dakota. At the time of the sale, SPF Energy, Inc. stock was not registered as a security in North Dakota, and the Respondent has provided this office with no evidence that the security was exempt from registration pursuant to North Dakota statute.

3. Pursuant to section 10-04-04 N.D.C.C., it is unlawful for any person to sell a security in North Dakota unless the security is registered or exempt from registration.

4. Pursuant to §10-04-16(1) N.D.C.C., the North Dakota Securities Commissioner can assess civil penalties, in an amount not to exceed \$10,000 for each violation of the securities act. The above-cited violation constitutes sufficient grounds for the imposition of civil penalties in any amount up to \$10,000.

5. The following order is necessary and appropriate in the public interest and for the protection of investors.

ORDER FOR AND NOTICE OF CIVIL PENALTY

NOW, THEREFORE, the North Dakota Securities Commissioner hereby Orders that the Respondent, American Investment Services, Inc., pay a Civil Penalty to the North Dakota Securities Commissioner in the amount of \$10,000 based on the registration violation discussed above. Payment of civil penalties is due ten (10) days from the date of the Respondents' receipt of this Order.

Further, the Commissioner expressly reserves the authority to assess civil penalties, not to exceed \$10,000 per violation, regarding any other violations of North Dakota's securities laws, whether currently known or subsequently discovered, or any future securities violations or violations of this order.

**NOTICE OF ADDITIONAL POTENTIAL
ACTIONS AND CIVIL PENALTIES**

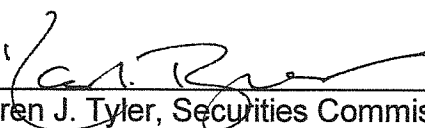
Respondent, and all parties associated with this matter, are hereby notified that this Order is not intended to be the final resolution to this matter, and that the Commissioner specifically reserves the authority to issue additional orders to assess and collect civil penalties and pursue other legal or equitable remedies, and/or to bring civil action against the Respondent and/or any parties related to this matter, including, without limitation, Craig A. Wollenburg and SPF Energy, Inc.

NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to §10-04-12 N.D.C.C. you may request a hearing before the Securities Commissioner if such a request is made in writing WITHIN TEN (10) DAYS AFTER THE RECEIPT OF THIS ORDER. The respondent has the right to be represented by legal counsel at the hearing.

Dated at Bismarck, North Dakota on this 14th day of June, 2002.





Karen J. Tyler, Securities Commissioner
Office of the Securities Commissioner
State Capitol, Fifth Floor
600 East Boulevard
Bismarck, ND 58505-0510
Ph. # (701) 328-2900

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)
Respondent.)

**AFFIDAVIT OF SERVICE
BY MAIL**

.....
I, Jacqui Ferderer, being first duly sworn, state that I am a citizen of the United States over the age of twenty-one years and not a party to or interested in the above-entitled proceeding.

On, June 17, 2002, I deposited in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, true and correct copies of the following document:

**ORDER FOR CIVIL PENALTY AND NOTICE
OF RIGHT TO REQUEST A HEARING**

A copy of the above document was securely enclosed in an envelope with postage prepaid, sent via Certified U. S. mail, return receipt requested, and addressed to each of the following:

Mark Uselton, Chief Compliance Officer
American Investment Services, Inc.
6801 Broadway Extension, Ste 203b
Oklahoma City, OK 73116

Joseph A. Cerbone
American Investment Services, Inc.
600 High Point Lane, Suite B.
East Peoria, IL 61611

Joseph A. Cerbone
923 Fuschiq Lane
Carlsbad, CA 92009

Joseph A. Cerbone
1064 Dunford Way
Sunnyvale, CA 94087

Terry L. Buffalo
American Investment Services, Inc.
600 High Point Lane, Suite B.
East Peoria, IL 61611

Terry L. Buffalo
First Midwest Securities, Inc.
2422 E. Washington, Suite 106
Bloomington, IL 61704

Terry L. Buffalo
Niphix Investments Inc.
4507 N. Sterling Ave. Suite 201
Peoria, IL 61615

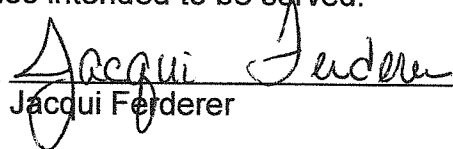
Terry L. Buffalo
607B South Main #354
Normal, IL 61761

Wanita M. Hamstedt
American Investment Services, Inc.
600 High Point Lane, Suite B.
East Peoria, IL 61611

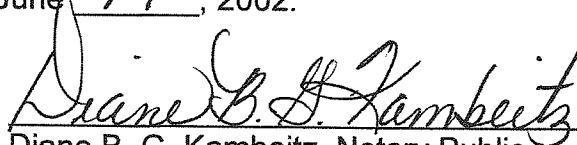
Timothy I. McDowell, Compliance Officer
American Investment Services, Inc.
600 High Point Lane, Suite B.
East Peoria, IL 61611

National Capital Companies, Inc.
6801 Broadway Extension, Ste 203b
Oklahoma City, OK 73116

To the best of my knowledge, information, and belief, the addresses given above are actual mailing addresses of the parties intended to be served.


Jacquie Ferderer

Subscribed and sworn to before me on June 17, 2002.


Diane B. G. Kambeitz, Notary Public
Burleigh County, North Dakota
My commission expires: 4/25/06

