

2. Craig F. Wollenburg is also registered as an investment adviser representative in North Dakota.

3. SPF Energy, Inc. is a firm headquartered in Minot, North Dakota, which issued preferred stock for sale to residents of North Dakota.

4. In November of 1997, James McLaurin opened a self-directed IRA account, which was held at First Western Bank and Trust (IRA Custodian) for the benefit of Mr. McLaurin. Wollenburg was the agent or investment advisor representative working on the account, and he had discretionary trading authority on the account.

5. At that time, Mr. McLaurin had approximately \$150,000 available for investment. At that time, Mr. McLaurin was retired and expressed a need for income to come from his investments, with a concurrent goal of preservation of capital. Additionally, Mr. McLaurin had a moderate risk temperament, as expressed on the documentation maintained by Respondent.

6. In December of 1997, Wollenburg, acting as an agent of American Investment Services, Inc., conducted several transactions in the IRA account of a then North Dakota resident, James McLaurin. The investments purchased include the following:

- a. SPF Energy, Inc. preferred stock. Approximately \$100,000 invested.
- b. Wickes, Inc. corporate bond. Approximately \$20,000 invested.
- c. Stuart Entertainment Sr. Sub. Notes. Approximately \$25,000 invested.

7. SPF Energy, Inc. stock was not registered in North Dakota at the time of the sale, nor was it exempt from registration under section 10-04-05 N.D.C.C., or sold through an exempt transaction under section 10-04-06 N.D.C.C.

8. SPF Energy, Inc. stock was a speculative investment at the time of Mr. McLaurin's investment, and was subject to significant risks, including, without limitation, the risks associated with a lack of liquidity, as there exists no established market for the secondary trading for SPF Energy, Inc. stock.

9. Stuart Entertainment notes were high-yield (junk) notes, subject to the risks traditionally associated with high-yield instruments, including the risk of default. On or around January of 2000, Mr. McLaurin learned that Stuart Entertainment declared bankruptcy, which ultimately lead to a loss of more than \$17,000 of the principle investment in the notes.

10. Wickes, Inc. bonds were high-yield (junk) bonds, subject to the risks traditionally associated with high-yield instruments, including the risk of default. Upon his having received notice of the Stuart Entertainment bankruptcy, and the resulting awareness of the risks involved in high-yield debt instruments, Mr. McLaurin ordered the sale of the bonds at a loss of more than \$3,000.

11. After the losses were realized in the Stuart and Wicks investments, Wollenburg recommended the investment in Swissray, Inc. stock, an aggressive small-cap company that traded on the OTC bulletin board.

12. Swissray stock was not registered as a security in North Dakota, nor was the it exempt from registration under section 10-04-05 N.D.C.C., or sold through an exempt transaction under section 10-04-06 N.D.C.C. American Investment Services and Wollenburg improperly recorded the investment as "unsolicited".

13. 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. Pursuant to the facts set forth above, both of the Respondents violated this provision through the sale of SPF Energy, Inc. stock to Mr. McLaurin. Additionally, Wollenburg violated this provision through the sale of Swissray, Inc. to Mr. McLaurin.

14. The National Association of Securities Dealers (NASD) is a self-regulatory organization that exercises private regulatory authority over its member dealer firms. Wollenburg is, and for all times relevant to this matter has been, employed by and associated with an NASD member firm.

15. Pursuant to NASD Conduct Rule 2310, a registered person cannot recommend a securities transaction which is not suitable to the investor. The facts set forth above, demonstrate that Wollenburg has violated those rules through the securities transactions described above.

16. Under section 73-02-09-02 N.D.A.C., it is an unethical or deceptive practice to violate any applicable NASD rules, or to otherwise recommend unsuitable transactions, or transactions which lead to a client being over-concentrated in a particular security. Based on the facts set forth above, Respondent engaged in unethical or deceptive practices through the transactions discussed above.

17. Pursuant to section 10-04-11, the Commissioner may suspend or revoke an agent registration and/or an investment advisor representative registration of any person who has engaged in dishonest or unethical practices.

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

**PROPOSED ORDER TO SUSPEND THE AGENT
REGISTRATION OF CRIAG F. WOLLENBURG**

Based on the information set forth above, the North Dakota Securities Commissioner hereby proposes to issue the ORDER TO SUSPEND THE AGENT REGISTRATION OF CRAIG F. WOLLENBURG, which is attached hereto and incorporated herein, by reference.

**PROPOSED ORDER TO SUSPEND THE INVESTMENT ADVISER
REPRESENTATIVE REGISTRATION OF CRIAG F. WOLLENBURG**

Based on the information set forth above, the North Dakota Securities Commissioner hereby proposes to issue the ORDER TO SUSPEND THE INVESTMENT ADVISER REPRESENTATIVE REGISTRATION OF CRAIG F. WOLLENBURG, which is attached hereto and incorporated herein, by reference.

ORDER FOR RESCISSION

Now, therefore, pursuant to the authority of the Securities Commissioner as set forth in chapter 10-04, N.D.C.C., it is hereby Ordered that Respondent, SPF Energy, Inc., shall pay to complainant, James McLaurin, the sum of 100,000 plus interest at the rate of 10% per year as accrued since April 1, 2002.

Payment is ordered to be made directly to the Complainant within ten (10) days of the entry of this Order, with evidence of payment provided to the Commissioner by that date. Respondent can demand return of the SPF Energy, Inc. stock which was purchased in the transaction described above.

It is the intention of the Commissioner that this be a non-exclusive remedy for the Complainant, as the complainant retains all rights to pursue any party for recovery of damages resultant from violations of the North Dakota Securities Act.

ORDER FOR AND NOTICE OF CIVIL PENALTY

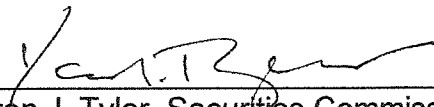
You are hereby notified that, pursuant to section 10-04-16 N.D.C.C., the Securities Commissioner has the authority to assess civil penalties for violations of the Securities Act in an amount not to exceed \$10,000 for each violation of the Securities Act. You are hereby further notified that the Securities Commissioner does hereby order Respondent, Wollenburg, to pay to the Commissioner a civil penalty of **\$20,000** for the violations described above. You are further notified that the Securities Commissioner does hereby order Respondent, SPF Energy, Inc., to pay a civil penalty of **\$10,000** for the violation described above.

NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to section 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 FIFTEEN (15) DAYS AFTER THE RECEIPT OF THIS ORDER. The respondents have the right to be represented by legal counsel at the hearing.

Dated at Bismarck, North Dakota on this 20th day of November, 2002.





Karen J. Tyler, Securities Commissioner
Office of the Securities Commissioner
State Capitol, Fifth Floor
600 East Boulevard Avenue
Bismarck, ND 58505-0510
Ph. # (701) 328-2910

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Craig F. Wollenburg)
and SPF Energy, Inc.,)
Respondents.)

**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, November 20, 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:

**PROPOSED ORDER TO SUSPEND THE AGENT REGISTRATION OF
CRAIG F. WOLLENBURG, PROPOSED ORDER TO SUSPEND THE
INVESTMENT ADVISER REPRESENTATIVE REGISTRATION OF CRAIG F.
WOLLENBURG, ORDER FOR RESCISSION, ORDER FOR AND NOTICE OF
CIVIL PENALTY, AND NOTICE OF RIGHT TO REQUEST A HEARING**

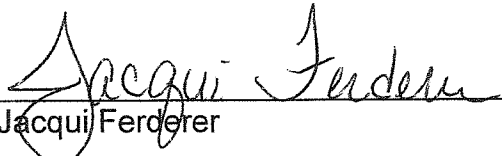
A copy of the above document was securely enclosed in an envelope with postage prepaid, sent via Certified U. S. mail, return receipt requested, and addressed to each of the following:

SAL Financial Services, Inc.
813 Shades Creek Parkway, Suite 100B
Birmingham, AL 35209

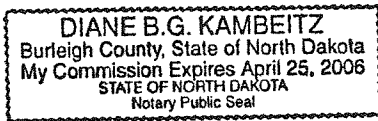
Judy Rogosheske
Best & Flanagan
225 South 6th Street, Suite 4000
Minneapolis, MN 55402-4331

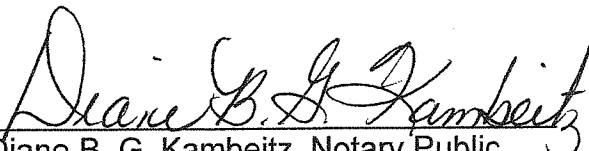
Eric Peck
Lindquist & Vennum, PLLP
4200 IDS Center
80 S. Eighth Street
Minneapolis, MN 55402-2274

To the best of my knowledge, information, and belief, the address given above is the last known address of the party intended to be served.


Jacquie Ferderer

Subscribed and sworn to before me this 20 day of November, 2002.




Diane B. G. Kambeitz, Notary Public
Burleigh County, North Dakota
My commission expires 4/25/2006

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Craig F. Wollenburg)
and SPF Energy, Inc.,)
)
)
Respondents)

**ORDER TO SUSPEND THE
AGENT REGISTRATION
OF CRAIG F. WOLLENBURG**

.....
Based on the facts set forth in the Commissioner's "Proposed Order To Suspend The Agent Registration Of Craig F. Wollenburg, Proposed Order To Suspend The Investment Adviser Representative Registration Of Craig F. Wollenburg, Order For Rescission, Order For And Notice Of Civil Penalty, And Notice Of Right To Request A Hearing" dated November 20, 2002, and/or any final order or statement of facts established through an administrative hearing which may result from the above-referenced Order, **IT IS HEREBY ORDERED AS FOLLOWS:**

The registration of Craig F. Wollenburg, as an agent of SAL Financial Securities, LLC is suspended for a period of thirty days from the date of the issuance of this Order.

Dated at Bismarck, North Dakota on this ____ day of November, 2002.

(SEAL)

Karen J. Tyler, Securities Commissioner
Office of the Securities Commissioner
State Capitol, Fifth Floor
600 East Boulevard Ave.
Bismarck, ND 58505-0510
Ph. # (701) 328-2910

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Craig F. Wollenburg)
and SPF Energy, Inc.,)
)
)
Respondents)

**ORDER TO SUSPEND THE
INVESTMENT ADVISOR
REPRESENTATIVE
REGISTRATION OF
CRAIG F. WOLLENBURG**

.....
Based on the facts set forth in the Commissioner's "Proposed Order To Suspend The Agent Registration Of Craig F. Wollenburg, Proposed Order To Suspend The Investment Adviser Representative Registration Of Craig F. Wollenburg, Order For Rescission, Order For And Notice Of Civil Penalty, And Notice Of Right To Request A Hearing" dated November 20, 2002, and/or any final order or statement of facts established through an administrative hearing which may result from the above-referenced Order, **IT IS HEREBY ORDERED AS FOLLOWS:**

The registration of Craig F. Wollenburg, as an investment advisor representative of Wollenburg & Associates, LLC is suspended for a period of thirty days from the date of the issuance of this Order.

Dated at Bismarck, North Dakota on this ____ day of November, 2002.

(SEAL)

Karen J. Tyler, Securities Commissioner
Office of the Securities Commissioner
State Capitol, Fifth Floor
600 East Boulevard Ave.
Bismarck, ND 58505-0510
Ph. # (701) 328-2910