

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
AMERICAN EQUITY GROUP LLC,
JASON WILLIAMS, BOB THOMPSON,
SAMUEL J. GREENBLUM, and ROBERT FIGARO,

PETITION FOR ORDER

Respondents.

File No. S-03088(EX)

The staff of the State of Wisconsin Department of Financial Institutions, Division of Securities, Bureau of Registration & Enforcement has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats., and as a result thereof alleges as follows:

1. American Equity Group, LLC ("AEG") is a foreign business entity with a last known business address of 505 Montgomery St., 11th Flr., San Francisco, CA 94111.
2. Jason Williams ("Williams") is an individual who at all times material hereto has been a controlling person of AEG, with a last known business address at that of AEG.
3. Bob Thompson ("Thompson") is an individual who at all times material hereto has been a controlling person of AEG, with a last known business address at that of AEG.
4. Samuel J. Greenblum ("Greenblum") is an individual who at all times material hereto has been a controlling person of AEG, with a last known business address at that of AEG.
5. Robert Figaro ("Figaro") is an individual who at all times material hereto has been an agent of AEG, Williams, Thompson and Greenblum, with a last known business address at that of AEG.
6. During the period of April 2003, Figaro, on behalf of AEG, Williams, Thompson and Greenblum, offered to at least one person in Wisconsin the opportunity to invest in units of a real estate investment trust of AEG ("the REIT units").
7. The person in Wisconsin referred to above had no pre-existing relationship with any of the Respondents.
8. Pursuant to the offering materials received by persons in Wisconsin, AEG will engage in the business of purchasing commercial property and leases from distressed companies.
9. Upon information and belief, each investor will not be involved in the day-to-day management of AEG, since there are too many investors for them to each have any meaningful input, and they do not have the expertise or experience necessary to perform its duties.
10. Since the investors will be involved in a common enterprise with the expectation of profits to be derived from the essential managerial efforts of others, the units of REIT offered by the respondents are investment contracts as defined by section DFI-Sec. 1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats.

11. The REIT units offered by the respondents are securities as defined by sec. 551.02(13), Wis. Stats., and have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
12. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.
13. In connection with the offers of the securities described above, Figaro transacted business in Wisconsin as an "agent" for AEG, Williams, Thompson and Greenblum, as that term is defined by sec. 551.02(2), Wis. Stats.
14. At no time has Figaro been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.
15. Figaro has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.
16. AEG, Williams, Thompson and Greenblum have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.
17. On April 8, 2003, the staff mailed letters to AEG and Figaro requesting information about their securities-related activities in Wisconsin to which no response has been received to date.

Therefore, the staff of the Bureau of Registration & Enforcement petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

Susan A. Kittel Moore 9/2/03
 Susan A. Kittel Moore Date
 Legal Assistant
 Registration & Enforcement Bureau

David A. Cohen 9/2/03
 David A. Cohen Date
 Supervising Attorney
 Registration & Enforcement Bureau

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
AMERICAN EQUITY GROUP, LLC,

Respondent.

ORDER OF PROHIBITION
(SUMMARY)

File No. S-03088(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. American Equity Group, LLC, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on its behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. American Equity Group, LLC, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on its behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.

EXECUTED at Madison, Wisconsin, this 5th day of June, 2003.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

Under sec. 551.61(2), Wis. Stats., within thirty (30) days after any Order has become effective without a hearing, any interested party may file a written request with the Administrator of the Division of Securities for a hearing in respect to any matters determined by the Order. A request for hearing shall be in the form of a petition for hearing and shall, under section SEC

8.01, Wis. Adm. Code, plainly admit or deny each specific allegation, finding, or conclusion in the Order and incorporated papers (unless the petitioner lacks sufficient knowledge or information to permit an admission or denial, in which case the petition shall so state, and such statement shall have the effect of a denial), and shall state all affirmative defenses.

You are advised that any wilful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
JASON WILLIAMS,

Respondent.

ORDER OF PROHIBITION
(SUMMARY)

File No. S-03088(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Jason Williams, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Jason Williams, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on his behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.

EXECUTED at Madison, Wisconsin, this 30th day of September, 2003.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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the Order and incorporated papers (unless the petitioner lacks sufficient knowledge or information to permit an admission or denial, in which case the petition shall so state, and such statement shall have the effect of a denial), and shall state all affirmative defenses.

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BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
ROBERT FIGARO,

Respondent.

ORDER OF PROHIBITION
(SUMMARY)

File No. S-03088(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

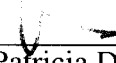
Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Robert Figaro, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Robert Figaro is prohibited from transacting business as a securities agent in Wisconsin unless licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.
- c. Robert Figaro shall resolve his civil liability under sec. 551.59, Wis. Stats., resulting from the unlawful sales of securities described in the Petition for Order prior to filing an application for a securities agent license in Wisconsin.

EXECUTED at Madison, Wisconsin, this 5th day of September, 2003.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

Under sec. 551.61(2), Wis. Stats., within thirty (30) days after any Order has become effective without a hearing, any interested party may file a written request with the Administrator of the

Division of Securities for a hearing in respect to any matters determined by the Order. A request for hearing shall be in the form of a petition for hearing and shall, under section SEC 8.01, Wis. Adm. Code, plainly admit or deny each specific allegation, finding, or conclusion in the Order and incorporated papers (unless the petitioner lacks sufficient knowledge or information to permit an admission or denial, in which case the petition shall so state, and such statement shall have the effect of a denial), and shall state all affirmative defenses.

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BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
SAMUEL J. GREENBLUM,

Respondent.

ORDER OF PROHIBITION
(SUMMARY)

File No. S-03088(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Samuel J. Greenblum, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Samuel J. Greenblum, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on his behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.

EXECUTED at Madison, Wisconsin, this 5th day of September, 2003.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

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request for hearing shall be in the form of a petition for hearing and shall, under section SEC 8.01, Wis. Adm. Code, plainly admit or deny each specific allegation, finding, or conclusion in the Order and incorporated papers (unless the petitioner lacks sufficient knowledge or information to permit an admission or denial, in which case the petition shall so state, and such statement shall have the effect of a denial), and shall state all affirmative defenses.

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BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
BOB THOMPSON,

Respondent.

ORDER OF PROHIBITION
(SUMMARY)

File No. S-03088(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Bob Thompson, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Bob Thompson, his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on his behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.

EXECUTED at Madison, Wisconsin, this 5th day of September, 2003.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

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the Order and incorporated papers (unless the petitioner lacks sufficient knowledge or information to permit an admission or denial, in which case the petition shall so state, and such statement shall have the effect of a denial), and shall state all affirmative defenses.

You are advised that any wilful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.