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,

Respondents.

PETITION FOR ORDER

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

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