

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

In the Matter of
INVESTOR LIFE SERVICES, INC. and
INVESTOR PROTECTOR, INC.

PETITION FOR ORDER

Respondents.

File No. S-04138(EX)

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

1. Investor Life Services, Inc. (“ILSI”) is a foreign business entity with a last known address at 825 S. Cable Rd, Lima Ohio 45805;
2. Investor Protector, Inc. (“IPI”) is a foreign business entity with a last known business address at that of ILSI;
3. ILSI and IPI market a program called the “Investor Protector Principal Protection Trust” (the “Trust”) to companies that are trying to sell their securities to the public;
4. According to the offering materials, the Trust:
 - a. Allows investors to “use a combination of bonds, equities ...to return an amount equal to the investor’s principal investment over a fixed period of time...Investors can name their own trustees...[and] direct trustees to invest assets in equities, insurance and bonds;”
 - b. Uses the concept of a sinking fund to allow the money set aside to grow to an amount equal to the original principal investment; and
 - c. Provides an “early exit strateg[y] including a stock exchange option;”
5. According to the offering materials, the Respondents will:
 - a. “Even help you structure you funding deal at no additional charge;”
 - b. “Proactively promote[] and inform [] investors of the options they have through the utilization of the IPIS..” and
 - c. “IPI consultants also serve as independent financial intermediaries and provide funding resources for new ventures and opportunities for investors.”
6. The actions of ILSI and IPI as described above constitute the business of effecting transactions in securities for the account of others or for the person’s own account;
7. Neither ILSI nor IPI are licensed as broker-dealers in the State of Wisconsin;

8. ILSI and IPI have violated sec. 551.31(1), Wis. Stats., by transacting business in the state as a broker-dealer without being licensed;
9. The actions of ILSI and IPI as described above also constitutes the business of engaging in the business of advising others as to the value of securities or as to the advisability of investing in, purchasing, or selling securities for compensation;
10. Neither ILSI nor IPI are licensed as investment advisers in the State of Wisconsin;
11. ILSI and IPI have violated sec. 551.31(3m), Wis. Stats., by transacting business as an investment adviser without being licensed

THEREFORE, the staff of the Bureau of Registration & Enforcement petitions the Administrator for the issuance of the attached Order.

DATED this 2nd day of December, 2004.



Susan A. Kittel Moore
Examiner
Bureau of Registration & Enforcement



David A. Cohen
Supervising Attorney
Bureau of Registration & Enforcement