

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

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In the Matter of  
AARON E. APPLEWHITE and  
NATIONAL INVESTMENT TRUST, LLC  
a/k/a A.F.G. and A.F.G. & Co.,

PETITION FOR ORDER  
(SUMMARY)

Respondents.

File No. S-06175(EX)

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The staff of the Bureau of Registration and 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. Aaron E. Applewhite (“Applewhite”) is an individual, with a last known address 1830 North 18<sup>th</sup> Street, Sheboygan, Wisconsin 53081.
2. National Investment Trust, LLC d/b/a A.F.G. and A.F.G. & Co. (“NIT”) is a business entity with a last known business address 1830 North 18<sup>th</sup> Street, Sheboygan, Wisconsin 53081.
3. At all times material hereto Applewhite has been a Finder of NIT.
4. Upon information and belief, on or about October 6, 2006 Applewhite, on behalf of NIT, offered to persons in Wisconsin the opportunity to enter into a Joint-Venture Agreement (“Agreement”) with Aaron Applewhite of A.F.G./A.F.G. & Co.
5. Upon information and belief, the Agreement stated that Applewhite “is offering . . . 18% up to 30% return on all cash made available to the joint-venture. . . .”
6. Upon information and belief, the Agreement stated the investor understands that their only responsibility to the Agreement is that they are to give a timely response to the decision to the interest of purchasing, any property or properties at any time it’s presented to them, within 24 to 72 hour return time by return phone call, fax or email.
7. 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 investment offered by the Respondents is an investment contract as defined by DFI-Sec 1.02(b), Wis. Adm. Code, and is therefore a security as defined by sec. 551.02(13), Wis. Stats.
8. The security described above has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
9. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

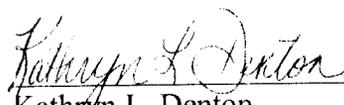
10. Upon information and belief, Applewhite also provided a person in Wisconsin with a Finder/Referral/Bird Dog Agreement ("Finder Agreement") which stated the Finder was entitled to a cash fee if the finder found a private investor with funds to invest.

11. In connection with the offers of the securities described above, Respondents transacted business in Wisconsin as a "broker-dealer," as that term is defined by sec. 551.02(3), Wis. Stats.

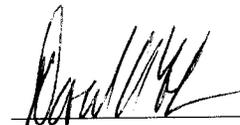
12. At no time material hereto were Respondents licensed as a broker-dealer in Wisconsin pursuant to Ch. 551, Wis. Stats.

13. Respondents have violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a broker-dealer without a license.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached order pursuant to Ch. 551, Wis. Stats.

  
Kathryn L. Denton  
Examiner  
Enforcement Unit

4/7/07  
Date

  
David A. Cohen  
Supervising Attorney  
Enforcement Unit

2/7/07  
Date