

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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IN THE MATTER OF: USA TAX & INSURANCE d/b/a )  
AMERICAN INVESTMENT SERVICES )  
\_\_\_\_\_ )

FILE NO. C1200247

**CONSENT ORDER OF FINE**

TO THE RESPONDENT: Laura Roberts, Sr. Compliance Analyst  
USA Tax & Insurance Services, Inc.  
d/b/a American Investment Services  
(CRD# 144088)  
4114 Woodlands Parkway, Suite 402  
Palm Harbor, Florida 34685

C/o Marc L. Abramson, Esq.  
Broker-Dealer Independent Counsel, LLC  
2920 Drane Field Rd. – Suite 102  
Lakeland, FL 33811

WHEREAS, Respondent on the 19<sup>th</sup> day of December 2012 executed a certain Stipulation to Enter Consent Order of Fine (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated August 20, 2012 in this proceeding. (the "Notice") and Respondent has consented to the entry of this Consent Order of Fine (the "Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Amended Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

- 1 Respondent is an Illinois based Federal Covered Investment Adviser (FCIA) since September 13, 2007. The Respondent engages in the business of providing investment advisory services to the general public.
- 2 During the period of December 2008 through present, Respondent contracted with an individual to act as one of its investment adviser representatives. This

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individual provided investment advisory services to residents of the State of Illinois when not in compliance with the registration requirements of Section 8 of the Act.

3. That Section 130.839 of the Rules of the Act provides, inter alia, that:
  - a) Effective October 1, 2002, each new applicant filing as an investment adviser or federal covered investment adviser shall file with the NASD, utilizing the IARD, a complete Form U-4 for each investment adviser representative and pay the filing fee specified in Section 130.110 of this Part.
  - b) For purposes of the annual re-registration of investment adviser representatives, each investment adviser and federal covered investment adviser shall file with the NASD, utilizing the IARD, and pay the filing fee specified in Section 130.110 of this Part.
4. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act
5. That Respondent failed to file a complete U-4 for each Investment Adviser Representative and to pay the filing fee as specified in Section 130.110.
6. That by virtue of the foregoing, the Respondent has committed a violation of Section 12.D of the Act.
7. That Section 11.E(3) of the Act provides, inter alia, that if the Secretary of State shall find that any person is acting or has acted as a federal covered investment adviser, without prior thereto and at the time thereof having complied with the registration or notice filing requirements of this Act, the Secretary of State may by written order prohibit or suspend the person from acting as a federal covered investment adviser in this State.

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the Secretary of State has adopted the following additional Finding of Fact:

8. That on or about June 22, 2012, Respondent contacted the Illinois Securities Department regarding a clerical error on the initial U-4 filing for one of its investment adviser representative.
9. According to the Respondent, due to the clerical error, the representative was registered in Indiana and not Illinois.

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10. That Section 11 E(4) of the Act provides that in addition to any other sanction or remedy contained in this subsection E, the Secretary of State, after finding that any provision of this Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000, for each violation of this Act, may issue an order of public censure against the violator, and may charge as costs of investigation all reasonable expenses, including attorney's fees and witness fees.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusions of Law.

- (1) The Respondent has committed a violation of Section 12 D of the Act;
- (2) The Respondent is subject to the entry of an order prohibiting or suspending it from acting as a Federal Covered Investment Adviser in the State of Illinois; and
- (3) That by virtue of the foregoing, the Respondent is subject to a FINE pursuant to Section 12.D and Section 11.E(4) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that it shall be fined for violation of the Act the amount of Twenty Thousand dollars (\$20,000.00) Said amount is to be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that they shall be levied fees and costs as follows: Six Hundred Dollars (\$600.00) representing back registration fees for one (1) investment adviser representative; and one Thousand five Hundred dollars (\$1,500.00) to cover the cost incurred during the investigation of this matter, to be paid by certified or cashier's check, made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation, Respondent has acknowledged and agreed that within 15 days of the entry of the aforesaid Consent Order, it will submit a certified or cashier's check in the amount of Six Hundred dollars (\$600.00). Said sum is allocated as follows: Six Hundred dollars (\$600.00) representing back registration fees for one (1) Investment Adviser Representative. Said check shall be made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, within 15 days of the entry of the aforesaid Consent Order.

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WHEREAS, by means of the Stipulation, Respondent has acknowledged and agreed that within 90 days of the entry of the aforesaid Consent Order, it will submit certified or cashier's checks totaling Twenty-one Thousand Five-Hundred dollars (\$21,500.00). Said sum is allocated as follows: Twenty Thousand dollars (\$20,000.00) as the FINE for violation of the Act; and One Thousand Five Hundred dollars (\$1,500.00) to cover the costs incurred during the investigation of this matter. Said checks shall be made payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, within 90 days of the entry of the aforesaid Consent Order, in accordance with the payment schedule set forth in paragraph "1" below.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT

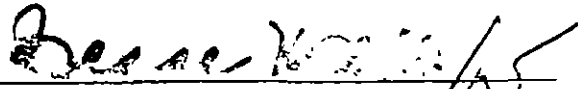
1. The Respondent is FINED for violation of the Act, the amount of Twenty Thousand Dollars (\$20,000.00) and LEVIED costs of investigation in this matter, in the amount of One Thousand Five Hundred dollars (\$1,500.00), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, as follows: the first of three (3) certified or cashier's checks, in the amount of Seven Thousand One Hundred sixty-six dollars and sixty-seven cents (\$7,166.67), payable no later than fifteen (15) days from the entry of this Consent Order; the second of three (3) certified or cashier's checks, in the amount of Seven Thousand One Hundred sixty-six dollars and sixty-seven cents (\$7,166.67), payable no later than forty-five (45) after the entry of the aforesaid Consent Order; and the third of three (3) certified or cashier's checks in the amount of Seven Thousand One Hundred sixty-six dollars and sixty-six cents (\$7,166.66), payable not later than seventy-five (75) days after the entry of the aforesaid Consent Order, said amounts totaling Twenty-one Thousand and Five Hundred Dollars (\$21,500), payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund.
2. The Respondent is LEVIED back registration fees in the amount of Six Hundred Dollars (\$600.00) for one (1) Investment Adviser Representative, payable to the Office of the Secretary of State, Securities Audit and Enforcement Fund, within fifteen (15) days from the entry of this Consent Order.

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- 3 The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED. This 19<sup>th</sup> day of December 2012.

A handwritten signature in black ink, appearing to read "Jesse White", written over a horizontal line.

JESSE WHITE  
Secretary of State  
State of Illinois