

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: AMERIPRISE  
FINANCIAL SERVICES, INC.

) File No. 0700247  
)  
)

**TO THE RESPONDENT:** Ameriprise Financial Services, Inc.  
5221 Ameriprise Financial Center  
Minneapolis, MN 55474

Ameriprise Financial Services, Inc.  
c/o Mayer Brown LLP.  
Counsel for Ameriprise Financial Services  
71 S. Wacker Drive  
Chicago, IL 60606

**NOTICE OF HEARING**

You are hereby notified that, pursuant to Section 11.F of the Illinois Securities Law of 1953 (815 ILCS 5/1, *et seq.*) (the "Act") and 14 Ill. Adm. Code 130, Subpart K (the "Rules"), a public hearing is scheduled to be held at 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602, on the 26<sup>th</sup> day of March, 2008, at 10:00 a.m., or as soon thereafter as counsel may be heard, before George P. Berbas, Esq., or another duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered Finding Respondent Ameriprise Financial Services, Inc. in violation of the Act and revoking its registration as an Investment Advisor in the State of Illinois as well as granting other relief as may be authorized under the Act including but not limited to the imposition of a monetary fine in the maximum amount of \$10,000.00 per violation pursuant to Section 11.F of the Act, for each and every violation, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

1. Ameriprise Financial Services, Inc. ("Ameriprise") is a broker-dealer firm registered with the State of Illinois Securities Department (the "Department") as an entity engaged in the business of offering, selling or otherwise engaging in the dealing or trading of securities. Ameriprise is also an investment advisor firm managing assets in excess of twenty-five million dollars (\$25,000,000.00) and is registered with the Securities and Exchange Commission as an Investment Advisor. The investment advisor representatives of Ameriprise, previously known as Financial Advisors and

currently referred to as Personal Advisors, were and are registered with the Department as investment advisor representatives.

2. Oscar Donald Overbey, Jr. ("Overbey") was an investment advisor representative for Ameriprise from October of 1990 to, and including, July 28, 2006.
3. Overbey was the franchise owner of the Ameriprise branch office located at 500 Skokie Blvd., in Skokie, Illinois.
4. On or about July 11, 2006, Ameriprise received a customer complaint against Overbey in which the customer stated that he had wired transferred one hundred thousand dollars (\$100,000.00) out of his personal checking account into the personal checking account of Overbey.
5. Ameriprise, after investigating the complaint, suspended Overbey and, ultimately, terminated him on July 28, 2006.
6. On July 27, 2006, Ameriprise contacted the Department to report Overbey's misconduct.
7. During the ensuing investigations by both the Department and by Ameriprise additional Ameriprise customers were identified as having given Overbey money for non-Ameriprise business.
8. The investigations revealed that Overbey had, over several years, solicited money for non-Ameriprise business from Ameriprise customers, and others.
9. Overbey told the customers and other victims various stories, such as that they were investing in small businesses involving coffee or fast food, that they were purchasing some form of annuity, or that they were making short term loans to such businesses or individuals trying to close distressed real estate transactions.
10. In fact, those stories were false and Overbey converted the money for his personal use, including gambling.
11. Overbey lied on his outside business activity disclosures to Ameriprise, and to his supervisor, regarding customer investments therein. Overbey also insisted that the customers he was defrauding only contact him on his personal cellular phone and that they would meet away from the branch office. In at least one occasion, Overbey intercepted a complaint letter regarding one of his fraudulent investments that was mailed to the branch office.
12. Neither Ameriprise, nor Overbey's supervisors, engaged in oversight that uncovered Overbey's misconduct.

13. Ameriprise was responsible for the reasonable supervision of Overbey and his advisory activities.
14. Section 8.E (1)(c)(iv) of the Illinois Securities Law of 1953 (815 ILCS 5/1 *et seq.*) states that the registration of an investment advisor may be denied, suspended, or revoked for failing to maintain and enforce written procedures to supervise the types of business in which it engages and to supervise the activities of its salespersons that are reasonably designed to achieve compliance with applicable securities laws and regulations.


You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

A copy of the Rules, promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department, is include with this Notice.

Delivery of Notice to the designated representative of any Respondent constitutes service upon such Respondent.

DATED: This 25<sup>th</sup> day of January, 2008.

  
JESSE WHITE  
Secretary of State  
State of Illinois

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