STATE OF NEW JERSEY
BUREAU OF SECURITIES
P.O. BOX 47029
Newark, New Jersey 07101
(201) 504 3600

IN THE MATTER OF

American Investment Club
Association Corp.
Paul Okoye Chuckwudi a/k/a
Paul Chuck

BEFORE Franklin L, Widmann, Bureau Chief

CONSENT ORDER

Based upon an investigation by the staff of the New Jersey Bureau of Securities (the "Bureau") of the activities of American Investment Club Association Corp. and Paul Okoye Chuckwudi (collectively, "Respondents") the Bureau Chief has made findings of fact and conclusions of law.

FINDINGS OF FACT

1. American Investment Club Association Corp. ("AICA") was, at all times material herein, a New Jersey corporation with an office at 1156 E. Ridgewood Avenue, Suite 9, Ridgewood, New Jersey 07450.

2. Paul Okoye Chukwudi, a/k/a Paul Chuck ("Chukwudi") was, at all times material herein, the CEO of AICA. Chukwudi's home address is 102 Sussex Street, Apt 2, Hackensack, NJ 07601.

3. Neither AICA nor Chukwudi has ever been registered with the Bureau in any capacity.

4. Chukwudi was also the founder of AICA and the only shareholder who owned voting shares. AICA had three other shareholders who owned less than 20% of its shares.

5. AICA's business plan was to operate a real estate investment club whose members would send money to AICA for AICA to purchase properties and then sell them at a profit.

6. In or about May 2005 through at least July 8, 2005, AICA operated a website at www.americaninvestmentclub.com which it used to solicit persons to become members of its real estate club. The website was accessible to persons in New Jersey, solicited inquiries for further information from each person who had access and accepted inquiries for further information from each person who had access.

7. The website that was posted on July 8, 2005 (the "July 8 Website") told potential investors that if they invested in the club they would receive a certificate that states, among other things, (a) their pledge amount, (b) the guaranteed return amount, (c) the date of the pledge and (d) the maturity date (the "AICA Club Certificate").

8. The AICA Club Certificates were not registered with the State of New Jersey or the Securities and Exchange Commission.

9. The July 8 Website included the following representations:

   A. AICA has "thousands of members from all over the world;"

   B. "By joining AICA, you can enjoy an aggressive return with no risk whatsoever."

   C. "We guarantee that you will get back your initial contribution;"

   D. "Our legal counsel has done extensive research to make sure that we are in compliance with all applicable laws;"

10. Each of the representations in 9A, 9B, 9C and 9D was material to an investor's decision on whether or not to become a member of the club.

11. The representation in 9A was false or misleading because at the time the statement was made AICA did not have any members.

12. The representation in 9B was false or misleading because a person who invested was not protected against the risk of a downturn in the real estate market.

13. The representation in 9C was false or misleading because the contract a member signed did not include any guarantee by AICA or anyone else of the amount of the member's investment.

14. The representation in 9D was false or misleading because AICA's counsel had not done extensive research on AICA's compliance obligations, including its obligations under federal and securities laws.

15. The July 8 Website also was false or misleading because it included testimonials from persons who falsely represented that they were members and that a member did not assume any risk when he/she made an investment.

16. The promotional materials that AICA sent to persons who expressed an interest in becoming members included the following representations:

    A. An investment in the club was described as an "affordable real estate investment" with "a guaranteed return you can expect."

    B. A member's "initial contribution is 100% secured by insurance."

    C. Land "can only appreciate in value."

17. Each of the representations in 16A, 16B and 16C was material to an investor's decision on whether or not to become a member of the club.

18. The representation in 16A is false or misleading because the contract a member signed did not include any guarantee by AICA or anyone else of the amount of the member's investment.

19. The representation in 16B is false or misleading because the insurance AICA purchased for its properties did not insure the property against market risk.

20. The representation in 16C is false or misleading because there are numerous situations in which land can depreciate in value.

21. During the period that AICA and Chukwudi solicited persons to become members of the club only one person invested in the club.

22. Shortly after state regulators advised AICA and Chukwudi that the club was promoting unregistered securities, AICA shut down the AICA website, stopped promoting memberships in the club and notified its one member that it was rescinding his membership and returned his uncashed checks.

CONCLUSIONS OF LAW

23. The AICA Club Certificates were securities under N.J.S.A. 49:3-49(m).

24. The AICA Club Certificates did not qualify for any exemption under N.J.S.A. 49:3-50.

25. The AICA Club Certificates were not federal covered securities under N.J.S.A. 49:3-49(v).

26. The AICA Club Certificates were not registered with the Bureau.

27. AICA and Chukwdui violated N.J.S.A. 49.3-60 by offering a security from New Jersey that was neither registered nor exempt from registration.

28. AICA and Chukwudi violated N.J.S.A. 49:3-52 by making false or misleading statements in the July 8 Website and in the promotional materials it sent to persons who expressed an interest in purchasing an AICA Club Certificate that were material to each such person's decision to purchase.

WHEREAS the Bureau is the State agency with the responsibility to administer and enforce the Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq., (the "Securities Law");

WHEREAS N.J.S.A. 49:3-67 authorizes the Bureau Chief from time to time to make such orders as are necessary to carry out the provisions of the Securities Law upon a finding that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the provisions of the Securities Law;

WHEREAS Respondents and the Bureau wish to resolve these issues without the expense and delay that administrative proceedings would involve;

WHEREAS Respondents agree that for the purposes of any future proceedings before the Bureau that this Order shall have the same effect as if proven and ordered after a full hearing held pursuant to N.J.S.A. 52:14B-1 et. seq.;

WHEREAS Respondents immediately stopped soliciting persons to become members of the AICA real estate club upon being told that their activities were illegal and returned the money that had been sent to them by investors;

WHEREAS the Bureau Chief has found that the entry of this Order is appropriate in the public interest and consistent with the purposes fairly intended by the policy provisions of the Securities Law and the regulations promulgated thereunder.

NOW THEREFORE, it is on this 7th day of October 2005, HEREBY ORDERED that AICA and Chudwudi, by consent and without further hearing, Cease and Desist from further violations of the New Jersey Uniform Securities Act; and it is

FURTHER ORDERED that Respondents make a settlement payment to the Bureau in the amount of $2,500 (the "Settlement Payment").

FURTHER ORDERED that the Settlement Payment shall be made by certified check, cashier's check or a check drawn on the trust account of an attorney admitted to practice in New Jersey, to the order of the Bureau of Securities according to the following payment schedule: (a) a $300 payment shall be made within seven (7) days from the date that Respondents sign this consent order; and (b) a $200 payment shall be made on the first day of the next month and first day of each subsequent month until eleven (11) monthly payments are made.

NEW JERSEY BUREAU OF SECURITIES

By: Franklin L. Widmann

Franklin L. Widmann, Esq., Chief

Date: October 7, 2005

I have read this consent order and understand its terms. I am aware that I have the right to have a lawyer review this consent order before I agree to its terms. I consent to its entry and agree to be bound by those terms.

Paul Okoye Chukwudi, Individually

Date: 10/4/05

American Investment Club
Association Corp.

By: _____
Paul Okoye Chukwudi, President

Date: 10/4/05