

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: AMERICAN FUND INC.,
ITS OFFICERS AND DIRECTORS, AGENTS,
EMPLOYEES, AFFILIATES, SUCCESSORS AND
ASSIGNS, AND FABIAN C HARRIS

FILE NO. 00800354

CORRECTED TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS: American Fund, Inc.
900 East 162nd Street, Suite213
South Holland, Illinois 60473

American Fund Inc.
c/o Fabian C. Harris, its President
2727 Molitor Road
Aurora, Illinois 60502

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:-

1. That Respondent American Fund, Inc. an Illinois corporation ("American"), maintained business address at 900 East 162nd Street, Suite213, South Holland, Illinois 60473.
2. That Respondent Fabian C. Harris, its President, ("Harris") maintained a residence address at 2727 Molitor Road, Aurora, Illinois 60602.
3. That on or about February 3, 2008, or thereabouts, Harris a representative of approached an Illinois resident ("Investor") and pursued a relationship with him for the purpose of selling the Investor a promissory note ("Note") at the price of \$3,000 (the "Offering").

Corrected Temporary Order of Prohibition

- 2 -

4. That in exchange for the \$3,000.00, Harris offered the investor the principal back plus interest of ten per cent per annum ninety days from February 3, 2008.
5. That subsequent to the foregoing solicitation, the Investor purchased the Offering with the expectation that he would receive a return of ten per cent (10%) per annum payable at the end of the term of ninety days, along with repayment of the principal.
6. That from May 3, 2008 through the present the Investor requested payment via emails and left cell phone messages, which were not returned. Respondent has since vacated the business address and the residence address.
7. That the activities described in paragraphs 2 through 5 above constitute the offer and sale of a Note and therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
8. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
9. That Respondents failed to file with the Secretary of State an application for registration of the investment opportunity described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
10. That Section 12.A of the Act provides, inter alia, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
11. That Section 12.D of the Act provides, inter alia, that it shall be a violation 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.
12. That by virtue of the foregoing, Respondents have violated Sections 12.A and 12.D of the Act, and Respondents will violate the Act again if they make further offers, or if they make any sales, of the investment opportunity described above in the State of Illinois.
13. That Section 12.F of the Act provides that it shall be a violation of the Act to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which work or tends to work a fraud or deceit upon the purchaser.

Corrected Temporary Order of Prohibition

- 3 -

14. That Pursuant to Section 12.G of the Act, it is a violation of the Act to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
15. That Harris knew or should have known of short-term risks to the Corporation's obligation to repay the Investor the promised return in ninety days, but failed and refused to disclose such risks to Investor.
16. That by virtue of the foregoing, Respondents have violated Sections 12.F and 12.G of the Act, and Respondents will violate the Act again if they make further offers, or if they make any sales, of the investment opportunity described above in the State of Illinois.
17. That the aforementioned findings are based upon credible evidence.
18. That Section 11.F(2) of the Act provides, inter alia, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to Investors that will occur as a result of prior violations of the Act.
19. That the entry of this Temporary Order prohibiting Respondents American Fund, Inc. and Fabian C. Harris, or their agents, affiliates, and employees, from offering or selling the above-referenced securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents are prohibited from offering or selling securities in or from this State until further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1200, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED

Corrected Temporary Order of Prohibition

- 4 -

HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS
TEMPORARY ORDER OF PROHIBITION FINAL.

ENTERED: This 19th day of August, 2008.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Samuel F. Freiman
Illinois Securities Department
69 West Washington Avenue
Suite 1200
Chicago, Illinois 60602
Telephone: (312) 793-3988