

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012030570701**

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Jeffrey R. Alexander, Respondent
Registered Representative
CRD No. 5387133

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I [or Respondent] submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Jeffrey R. Alexander first became associated with a FINRA member broker-dealer in June 2007. In August 2007, he became registered with that firm as an Investment Company-Variable Insurance Products Representative and, in December 2007, he qualified as a General Securities Representative. The following month, his registrations were terminated. He was employed outside the securities business until June 2012 when he joined former FINRA member Shoreline Pacific LLC. In July 2012, he became registered with Shoreline as a General Securities Representative. His registration with Shoreline was terminated in January 2013, shortly before the firm withdrew from membership in early February 2013. He does not have a disciplinary history.

OVERVIEW

Respondent Alexander recommended the purchase of interests in Amazon 13-30, an oil and gas program offered by Amazon Exploration to fund the drilling of a well in Nebraska, to three investors without a reasonable basis for believing it to be suitable for any investors or, individually, for the three investors who purchased interests.

FACTS AND VIOLATIVE CONDUCT

In August 2012, Shoreline Pacific entered into an agreement with Amazon Exploration pursuant to which the firm would offer and sell up to 30 partnership units in Amazon 13-30. Shoreline Pacific would receive a “success fee” of 20% of the funds it raised, as well as five Amazon 13-30 units if the firm was able raise \$1 million. Respondent, who worked in Shoreline’s Colorado Springs, CO office, was the primary point of contact between the firm and Amazon Exploration and primarily responsible for finding investors and facilitating investments in the Amazon 13-30 private placement.

Respondent did not have a reasonable basis, resulting from reasonable due diligence, to believe that Amazon 13-30 was a suitable investment for at least some investors. There were red flags with respect to the background of the principals of Amazon Exploration, the lack of certain disclosures in the private placement memorandum and the vagueness of other disclosures, that should have been more fully investigated before the investment was recommended to anyone. This did not occur. As a result, Respondent violated FINRA Rules 2111(a) and 2010.

Three individuals invested in Amazon 13-30 through Shoreline Pacific. Each completed a subscription agreement, but no other information was obtained and recorded for these investors. FINRA Rule 2111 requires a representative to have a reasonable basis for believing a recommendation to be suitable for each person to whom it is recommended, based upon the person’s investment profile. An investment profile comprises a number of considerations, including, but not limited to, those specifically enumerated in the Rule. The subscription agreements contained some, but not all, of this information; among the considerations that were not addressed were the investor’s age, other investments, specific information about the investor’s financial circumstances, risk tolerance, liquidity needs and time horizon. Without this information, Respondent could not reasonably believe that an investment in Amazon 13-30 was suitable for the individuals who invested. As a result, he violated FINRA Rules 2111(a) and 2010 with respect to the three recommendations that resulted in transactions executed through Shoreline Pacific.

B. I also consent to the imposition of the following sanctions:

A suspension from association with any member of FINRA in any capacity for a period of three months and a fine in the amount of \$5,000.00.

The fine shall be due and payable either immediately upon reassociation with a member firm following the three-month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

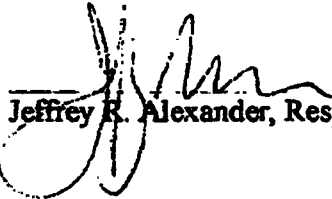
I understand that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with

the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

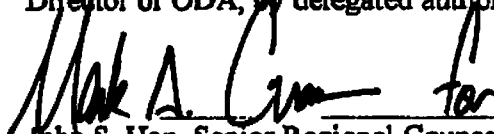
01/29/2014
Date (mm/dd/yyyy)


Jeffrey R. Alexander, Respondent

Accepted by FINRA:

02/24/2014
Date

Signed on behalf of the
Director of ODA, by delegated authority


John S. Han, Senior Regional Counsel
FINRA Department of Enforcement
1 Montgomery Street, Suite 2100
San Francisco, CA 94104
415-217-1124
FAX: 415-217-1201
john.han@finra.org