

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF determining
Whether there has been a violation of the
Securities Act of Washington by:

Jorge Alejandro dba J&L Associates,

Respondent

SDO - 20 - 01

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL
ORDER CEASE AND DESIST

Case No. 99-06-0183

THE STATE OF WASHINGTON TO:

Jorge Alejandro

On January 5, 2001, the Securities Administrator of the State of Washington issued a Summary Order to Cease and Desist, SDO-04-01, hereinafter referred to as the Summary Order, to Jorge Alejandro dba J&L Associates.

The Summary Order, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as "Notice of Opportunity for Hearing") and an Application for Adjudicative Hearing, hereinafter referred to as "Application for Hearing"), were personally served on Jorge Alejandro on January 14, 2001. Jorge Alejandro, acting through an employee or agent, has held himself out as J&L Associates. The Notice of Opportunity for Hearing advised Jorge Alejandro dba J&L Associates that he had twenty days from the date he received the notice to file a written application for an administrative hearing on the Summary Order.

Jorge Alejandro failed to return the Application for Hearing form to the Securities Division and did not otherwise request an administrative hearing in the matter within the twenty-day time period.

The Securities Administrator therefore will adopt as final the findings of fact and conclusions of law as set forth in the Summary Order.

FINAL ORDER TO CEASE AND DESIST

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 FINDINGS OF FACT

2 PARTIES

3 I.

4 J&L Associates is an unincorporated business entity with a place of business at 1860 Highpointe Drive,
5 Bountiful UT 84010.

6 II.

7 Jorge Alejandro, a Washington resident, is a principal of J&L Associates.

8 NATURE OF THE OFFERING

9 III.

10 In early 1999, Alejandro offered to the public and sold promissory notes to at least two Arizona residents
11 that would be repaid from the proceeds of a high yield investment trading program through J&L Associates. The
12 high yield program purportedly provided for investors' funds to be used as collateral for a trading account that
13 involved a "Bank Profit Guarantee" and other unspecified bank investments trading. The two Arizona residents
14 wired amounts of \$30,000 and \$35,000 respectively to a bank account located in the State of Washington. Alejandro
15 prepared or caused to be prepared promissory notes to be provided to the investors for the respective amounts. The
16 promissory notes also stated that Alejandro promised to repay the investors approximately twice the amount of principal
17 contributed by the investors within a period of approximately three months.

18 ANTI-FRAUD VIOLATIONS

19 IV.

20 In connection with the offer and sale of the promissory notes, Respondent Alejandro failed to disclose to
21 investors that Alejandro had been indicted for and pled guilty to federal conspiracy charges in 1990. The
22

1 conspiracy charge involved the possession of counterfeited securities in the form of cashier's checks of
2 banking institutions. Respondent Alejandro failed to disclose to investors other material facts relating to the
3 investment, including, but not limited to, the business history and experience of the Respondent, material risks
4 of the investment, the use of proceeds, the amount of commissions and selling expenses to be paid out of the
5 proceeds of the offering and the financial condition of J&L Associates and Jorge Alejandro. The investors'
6 funds were deposited in a bank account located in the State of Washington. A significant portion of these
7 funds went to Alejandro and Alejandro's spouse and used for apparent personal uses such as cash withdrawals,
8 rent, groceries, and medical expenses.

9 **FICTITIOUS FINANCIAL INSTRUMENTS**

10 **V.**

11 The high yield trading program as described above purports to involve trading related to "a Profit
12 Bank Guarantee" or other unspecified bank transactions. Since 1993, the Federal Reserve Board, the
13 Securities and Exchange Commission and other regulatory agencies have alerted the public that such high
14 yield trading programs and other schemes are fraudulent and do not involve bona fide financial instruments
15 or actual trading of securities. Respondent failed to disclose these warnings to investors and did not provide
16 investors with documentation of the existence of the so-called financial instruments or trading program.

17 Based upon the above Findings of Fact, the following Conclusions of Law are made:

18
19 **CONCLUSIONS OF LAW**

20 **I.**

21 The offer and/or sale of promissory notes by Jorge Alejandro dba J&L Associates described above
22 constitutes the offer and/or sale of a security as defined in RCW 21.20.005(10) and (12).
23

1 II.

2 The offer and/or sale of said securities was made in violation of RCW 21.20.010 because Respondent
3 Alejandro failed to disclose material facts of the offering and representations made in connection with the offer
4 and sale of the promissory notes were misleading.

5 **ORDER**

6 Based upon the above Findings of Fact and Conclusions of Law, it is hereby

7 ORDERED that Jorge Alejandro cease and desist from violation of RCW 21.20.010, the anti-
8 fraud section of the Securities Act.

9 IT IS FURTHER ORDERED that Jorge Alejandro cease and desist from offering unregistered
10 securities in violation of RCW 21.20.140.

11
12 This Order is entered pursuant to RCW 21.20.390 and is subject to the provisions of ch. 34.05 RCW.

13
14
15 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

16
17 DATED this 22nd day of March, 2001

18
19
20 

21

DEBORAH R. BORTNER
22 Securities Administrator

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

Presented by:

Martin Cordell
Senior Enforcement Attorney

Approved for entry by:

Michael E. Stevenson
Chief of Compliance