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3 STATE OF OREGON  
4 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
5 DIVISION OF FINANCIAL REGULATION

6 In the Matter of:

Case No. S-17-0135

7 BECKER, JACKSON & REED LLC,  
8 a Florida limited liability company,  
9 ALPINE FAMILY  
10 ENTERTAINMENT PARKS 1, LLC,  
11 a Delaware limited liability company,  
12 and JUDITH JACKSON, an  
13 individual,

ORDER TO CEASE AND DESIST,  
PROPOSED ORDER DENYING USE OF  
EXEMPTIONS, PROPOSED ORDER  
ASSESSING CIVIL PENALTIES, AND  
NOTICE OF RIGHT TO AN  
ADMINISTRATIVE HEARING

14 Respondents.

15 The Director of the Department of Consumer and Business Services for the State  
16 of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS")  
17 59.005 to 59.451, 59.991 and 59.995, and Oregon Administrative Rules ("OAR") chapter  
18 441 (collectively, "the Oregon Securities Law"), investigated the business activities of  
19 Becker, Jackson & Reed LLC ("BJR"), Alpine Family Entertainment Parks 1, LLC  
20 ("Alpine"), and Judith Jackson ("Jackson") (collectively, "Respondents") and determined  
21 that Respondents have engaged in violations of the Oregon Securities Law. The Director  
22 orders Respondents to cease and desist from engaging in further violations of the Oregon  
23 Securities Law, and hereby gives notice that the Director proposes to deny Respondents  
24 the use of exemptions and assess civil penalties.

25 The Director makes the following Findings of Fact, Conclusions of Law, Order,  
26 Proposed Order and Notice of Right to an Administrative Hearing.

FINDINGS OF FACT

The Director FINDS that:





1           1.    On or around March 19, 2014, Jackson registered BJR as a Florida limited  
2 liability company. At all relevant times, Jackson has been BJR’s sole member and 100%  
3 owner.

4           2.    On or around February 19, 2015, Jackson registered Alpine as a Delaware  
5 limited liability company.<sup>1</sup>

6           3.    At no relevant time has BJR held membership with the Financial Industry  
7 Regulatory Authority (“FINRA”) or the Securities Investment Protection Corporation  
8 (“SIPC”).

9           4.    On or around February 23, 2015, BJR established a website at the address  
10 beckerjacksonreed.com (“BJR Website”).<sup>2</sup>

11          5.    The BJR Website states that BJR has “more than 30 years of experience in the  
12 alternative asset management industry.”

13          6.    The BJR Website states that BJR is a member of FINRA and SIPC.

14          7.    On or around March 3, 2015, Jackson established a checking account in BJR’s  
15 name, ending in -6162, at Bank of America (“Bank Account”).

16          8.    At an unknown date, Alpine established a website at the address  
17 alpineparks.homestead.com (“Alpine Website”).

18          9.    The Alpine Website states that Alpine is “a provider of technical and  
19 professional services to the themed entertainment industry.” To this end, the Alpine  
20 Website states that Alpine provides the following services: feasibility analysis; strategic  
21 consulting; operations management; design; and executive recruitment (“Alpine  
22 Services”).

23          10. The Alpine Website contains a private placement memorandum (“PPM”)  
24 setting forth the terms under which potential investors could purchase shares of Alpine  
25

26 <sup>1</sup> Alpine’s corporate registration documents identify no other individuals with an interest or role in Alpine.

<sup>2</sup> This URL was later moved to beckerjacksonreed.homestead.com.

1 stock. The Alpine Website contains subscription documents to transact shares of Alpine  
2 stock. The Alpine Website contains statements encouraging potential investors to  
3 purchase shares of Alpine stock.<sup>3</sup>

4 11. At no relevant time has Alpine actually performed any of the Alpine Services.  
5 The Director's investigation found no evidence of *any* Alpine business activities save for  
6 the creation of the Alpine Website and foregoing investment documents.

7 12. In or around the spring of 2016, a BJR representative made an unsolicited  
8 telephone call to DD, an Oregon resident.<sup>4</sup> During the course of the conversation, the  
9 representative made the following claims:

10 (1) Alpine was raising \$9,000,000 to develop an amusement park in San Diego,  
11 California;

12 (2) BJR sought investment funds on Alpine's behalf;

13 (3) To raise funds, Alpine was selling shares of its company stock at \$1 per share;

14 (4) Alpine would soon become a publicly traded company, at which time the  
15 shares would be worth \$12 each; and

16 (5) All investment funds would be maintained in an escrow account until Alpine's  
17 public offering.

18 13. Based upon the foregoing representations, DD wired \$3,125 to the Bank  
19 Account on or around June 28, 2016. Shortly thereafter, DD received a certificate for  
20 3,125 shares of Alpine stock.

21 14. At no relevant time was Alpine engaged in developing an amusement park in  
22 San Diego or anywhere else.

23 15. At no relevant time was it imminent that Alpine would become a publicly  
24

25 <sup>3</sup> Ex. "We believe that Alpine provides an extraordinary opportunity for financial gains in an industry that has grown  
26 over fifty percent over the last ten years, outpacing the growth rate of the S & P 500. We've structured a return  
whose potentials include ongoing profit sharing beyond the return on investment for the life of the properties."

<sup>4</sup> At the time, DD was approximately 70 years old and a permanently disabled military veteran.





1 traded company.

2 16. At no relevant time did BJR maintain any of DD's investment funds in an  
3 escrow account.

4 17. In or around July 2016, DD was contacted by a BJR representative who  
5 identified himself as Jonathon Plimpton ("Plimpton").<sup>5</sup> Thereafter, DD and Plimpton had  
6 weekly telephonic communications in which Plimpton encouraged DD to purchase  
7 additional shares of Alpine stock. Plimpton also provided DD with documentation  
8 relating to investment in Alpine, including the PPM.

9 18. From approximately September 8, 2016 through approximately February 9,  
10 2017, DD provided BJR an additional \$106,250 to purchase shares of Alpine stock. The  
11 majority of these funds were deposited in the Bank Account.<sup>6</sup> During this approximate  
12 timeframe, DD received certificates for 106,250 shares of Alpine stock.

13 19. In early 2017, Plimpton contacted DD and claimed that Alpine was  
14 negotiating a merger with Merlin Entertainments ("Merlin"), a European-based  
15 entertainment company. In particular, Plimpton claimed that:

16 (1) Merlin had deposited \$200,000,000 in an escrow account that was intended to  
17 develop an amusement park in the United States;

18 (2) Alpine shareholders needed to vote on, and approve, the sale and transfer of  
19 their Alpine shares to Merlin shares;

20 (3) Alpine shares would net approximately \$600 per share once the merger was  
21 completed; and

22 (4) He (Plimpton) had reserved additional shares for himself, but that he would  
23 allow DD to purchase them at a "3-1 split" (Three shares for each dollar invested).

24 20. Based upon the foregoing representations, DD wired an additional \$50,000 to the

25 <sup>5</sup> Plimpton is identified in BJR correspondence as BJR's Chief Compliance Officer. Plimpton is not identified in  
26 BJR's corporate registration documents.

<sup>6</sup> \$29,375 of the funds were deposited in an alternate BJR account ending in -6188.



1 Bank Account on or around June 2, 2017. Shortly thereafter, Plimpton and BJR ceased all  
2 communication with DD.<sup>7</sup>

3 21. At no relevant time was Alpine negotiating a merger with Merlin.

4 22. In addition to the funds provided by DD, the Bank Account contained funds from  
5 approximately sixty other individuals totaling approximately \$1,000,000.

6 23. The vast majority of Bank Account funds, approximately \$800,000, were wired to  
7 Mexican bank accounts controlled by three Mexican citizens. The majority of the remaining  
8 funds were either used to perpetuate the investment scheme – Internet advertising, telephone  
9 services, virtual offices – or transferred to a secondary BJR bank account, wherefrom they were  
10 transferred to Mexican bank accounts or used for scheme-perpetuation services.

11 24. None of the Bank Account funds were transferred to Alpine. None of the Bank  
12 Account funds appear to have funded the planning, design, development or construction of an  
13 amusement park.

14 25. At no relevant time was Alpine's stock registered under the Oregon Securities Law.

15 26. At no relevant time has any Respondent been licensed to transact business under the  
16 Oregon Securities Law.

17 27. At no relevant time did Respondents disclose to DD that the Alpine stock was  
18 unregistered.

19 28. At no relevant time did Respondents disclose to DD that Respondents were not  
20 licensed to transact business under the Oregon Securities Law.

21 29. Respondents promoted and pursued all aspects of the foregoing scheme as a single  
22 enterprise.

### 23 CONCLUSIONS OF LAW

24 The Director CONCLUDES that:

25  
26

<sup>7</sup> DD never received documentation of the shares of Alpine stock he believed himself to be purchasing with these funds.



1 30. The Director has jurisdiction over Respondents pursuant to ORS 59.235.

2 31. At all relevant times, Jackson had “control” over BJR and Alpine, as defined  
3 under ORS 59.015(2).

4 32. The shares of Alpine stock sold to DD are “securities”, as defined under ORS  
5 59.015(19)(a).

6 33. BJR is a “broker-dealer”, as defined under ORS 59.015(1).

7 34. By transacting business in Oregon as a broker-dealer without being licensed  
8 under the Oregon Securities Law, BJR violated ORS 59.165.

9 35. Jackson procured or materially aided or abetted BJR in the foregoing violation  
10 of ORS 59.165.

11 36. By offering and selling unregistered securities in Oregon, Alpine and BJR  
12 violated ORS 59.055.

13 37. Jackson is also liable for the sale of unregistered securities in Oregon,  
14 pursuant to ORS 59.115(2).

15 38. By asserting on the BJR Website that BJR had more than 30 years of  
16 experience in the alternative asset management industry, BJR made an untrue statement  
17 of material fact, violating ORS 59.135(3).

18 39. By asserting on the BJR Website that BJR was a member of FINRA and  
19 SIPC, BJR made an untrue statement of material fact, violating ORS 59.135(2).

20 40. By asserting on the Alpine Website that Alpine engaged in the Alpine  
21 Services, Alpine made an untrue statement of material fact, violating ORS 59.135(2).

22 41. By asserting to DD that Alpine was raising \$9,000,000 to develop an  
23 amusement park in San Diego, California, BJR made an untrue statement of material fact,  
24 violating ORS 59.135(2).

25 42. By asserting to DD that Alpine would soon become a publicly traded  
26 company, BJR made an untrue statement of material fact, violating ORS 59.135(2).



1 43. By asserting to DD that his investment funds would be maintained in an  
2 escrow account, BJR made an untrue statement of material fact, violating ORS 59.135(2).

3 44. By asserting to DD that Alpine was negotiating a merger with Merlin, BJR  
4 made an untrue statement of material fact, violating ORS 59.135(2).

5 45. By failing to disclose that Alpine's stock was unregistered, Alpine and BJR  
6 omitted to state a material fact, violating ORS 59.135(2).

7 46. By failing to disclose that Respondents were not licensed to transact business  
8 under Oregon Securities Law, BJR omitted to state a material fact, violating ORS  
9 59.135(2).

10 47. Jackson procured or materially aided or abetted Alpine and BJR in the  
11 foregoing violations of ORS 59.135(2).

12 48. Because Respondents promoted and pursued all aspects of the foregoing  
13 scheme as a single enterprise, Respondents are fully complicit as principals, and jointly  
14 and severally liable, for each of the foregoing violations of the Oregon Securities Law.

15 49. Because the Director has reason to believe that Respondents have engaged in  
16 the foregoing violations of the Oregon Securities Law, the Director may issue an order to  
17 Respondents to cease and desist from violations of the Oregon Securities Law pursuant to  
18 ORS 59.245(4).

19 50. Because the Director has reason to believe that Respondents have engaged in  
20 the foregoing violations of the Oregon Securities Law, the Director may deny  
21 Respondents the use of exemptions pursuant to ORS 59.045(2).

22 51. In addition to all other penalties and enforcement provisions provided by law,  
23 any person who violates, or who procures, aids or abets in the violation of the Oregon  
24 Securities Law, or any rule or order of the Director shall be subject to a penalty of not  
25 more than \$20,000 for every violation.

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1 ORDERS

2 Now therefore, the Director issues the following ORDERS:

3 52. Pursuant to ORS 59.245(4), the Director hereby ORDERS Respondents to CEASE  
4 AND DESIST from:

5 (1) Transacting securities business in the State of Oregon, in violation of ORS  
6 59.165;

7 (2) Offering and selling securities that are not registered in the State of Oregon, in  
8 violation of ORS 59.055;

9 (3) Offering and selling securities in violation of the anti-fraud provisions of ORS  
10 59.135, and;

11 (4) Violating any provision of the Oregon Securities Law.

12 53. Pursuant to ORS 59.045(2), Respondents, and any successor business entity or  
13 any business entity owned, operated, or controlled by Respondents, are DENIED the use  
14 of exemptions that would otherwise be available to them under ORS 59.025 and ORS  
15 59.035, concerning securities and transactions exempt from the registration requirements  
16 of the Oregon Securities Law.

17 54. Pursuant to ORS 59.995, the Director hereby proposes to ORDER that  
18 Respondents pay a CIVIL PENALTY, jointly and severally, totaling \$60,000 as follows:

19 (1) \$20,000 for violating ORS 59.165;

20 (2) \$20,000 for violating ORS 59.055; and

21 (3) \$20,000 for violating ORS 59.135.

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Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387









1 The Director may issue a FINAL ORDER TO CEASE AND DESIST, FINAL  
2 ORDER DENYING USE OF EXEMPTIONS, AND FINAL ORDER ASSESSING  
3 CIVIL PENALTIES by default against any respondent that: 1) does not request a hearing  
4 within 20 days; 2) withdraws a request for a hearing; 3) notifies the Division or the  
5 administrative law judge that they will not appear; 4) fails to appear at the scheduled  
6 hearing; or 5) in the case of a request for hearing by an Entity Respondent that is not  
7 signed by a person that is allowed to practice law in Oregon, an Entity Respondent that  
8 submits a hearing request that is invalid because the request was not ratified by an  
9 attorney that is allowed to practice law in Oregon, in writing, within 28 days of the date  
10 that the hearing request was received by the Division.

#### 11 **STATEMENT OF REASONABLE ACCOMMODATION**

12 All proceedings will be conducted in a wheelchair accessible location. Written  
13 materials may be provided and/or graphic displays may be presented during the  
14 proceeding. For any other accommodation needed by individuals due to a disability,  
15 please contact the agency staff member noted below.

#### 16 **AGENCY CONTACT INFORMATION**

17 Questions concerning the issues raised in this Order or Notice may be directed to  
18 Anthony Estrada, Oregon Department of Consumer and Business Services, Division of  
19 Financial Regulation, Enforcement Section, telephone (503) 586-8967.

#### 20 **SPECIAL NOTICE TO ACTIVE DUTY SERVICE MEMBERS**

21 Active duty servicemembers have a right to stay these proceedings under the  
22 federal Servicemembers Civil Relief Act. For more information contact the Oregon State  
23 Bar at 800-452-8260, the Oregon Military Department at 800-452-7500 or the nearest  
24 United States Armed Forces Legal Assistance Office through  
25 <http://legalassistance.law.af.mil>.

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