

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:)	
)	ADMINISTRATIVE ORDER
WALLACE C. GOE)	NO. CD-2024-0008
)	
<u>RESPONDENT</u>)	

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, has determined as follows:

RESPONDENT

1. **WALLACE C. GOE ("GOE")** is an individual who at all relevant times resided in Madison County, Alabama and controlled a bank account in the name "The Jireh Company" at Regions Bank. **GOE** has never been registered with the Commission in any capacity.

STATEMENT OF FACTS

2. Frontline USA Investments, Inc. ("Frontline") was a Nevada corporation, the entity status of which was revoked sometime after May 2019. Frontline raised money from investors in Alabama and elsewhere in the form of promissory notes with extraordinarily high interest rates ranging from approximately 6% to 14% per month.

3. **GOE** agreed with a principal of Frontline that **GOE** would solicit investors to purchase the Frontline promissory notes and would receive a commission based on a percentage of the funds invested. Among other things, **GOE** explained the investment to prospective investors (as it had been represented to **GOE** by the Frontline principal), including the fact that Frontline would use the funds raised to trade in foreign currencies, provided investors with the paperwork,

usually referred to as “Loan Agreement and Promissory Note,” and instructed investors where to send their funds.

4. Between in or about January 2019 and in or about March 2020, **GOE** raised approximately \$900,000 from more than 30 investors, most of whom were residents of Alabama. **GOE** received substantial commissions from Frontline in the form of payments to The Jireh Company.

5. Frontline did not use investors’ funds as represented, instead spending investor money to benefit one or more of Frontline’s principals and to pay interest to earlier investors. While some investors received some or all of their funds back, most lost all or a substantial portion of the funds invested.

6. A review of the records of the Registration Division of the Alabama Securities Commission was conducted and revealed that **GOE**, and the Frontline promissory notes being sold by **GOE**, have not been registered in any capacity with the Commission. Further, the promissory notes offered and/or sold by **GOE** were not subject to any perfected exemption from registration.

CONCLUSIONS OF LAW

7. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a security includes any “note” or “evidence of indebtedness.” The promissory notes issued by Frontline and offered and sold by **GOE** are securities under the Act.

8. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of “Agent” includes any individual other than a Dealer who represents an issuer in effecting or attempting to effect sales of securities. **GOE**, in effecting sales of the Frontline promissory notes, acted as an Agent as defined by the Act.

9. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in Alabama as an agent for securities unless that person is registered under the

Act. **GOE**, by offering and selling the Frontline-issued promissory notes, acted as an agent in Alabama without having been registered with the Commission, in violation of the Act.

10. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in Alabama unless the security is registered under the Act or an exemption from registration is applicable. **GOE** offered and sold the Frontline-issued promissory notes, which were not registered nor subject to a perfected exemption from registration, in violation of the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Alabama Securities Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the **RESPONDENT** to make a timely request for hearing, or default of the **RESPONDENT**, it is the intention of the Commission to impose sanctions upon the **RESPONDENT**. Such sanctions may include, inter alia, an administrative assessment imposed on **RESPONDENT**, an additional administrative assessment for investigative costs arising from the investigation of the violations described herein against **RESPONDENT**, and a permanent order to bar **RESPONDENT** from participation in any securities-related industry in the State of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that **RESPONDENT CEASE AND DESIST** from further offers or sales of any security into, within or from the State of Alabama.

Entered at Montgomery, Alabama this 28th day of February, 2024.



ALABAMA SECURITIES COMMISSION
445 Dexter Avenue, Suite 12000
Montgomery, AL 36104
(334) 242-2984

BY: 
AMANDA SENN
Director