

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 68685 / January 17, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15179

In the Matter of

Linda Dianne Alexander,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934 AND NOTICE OF HEARING**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Linda Dianne Alexander a/k/a Dianne Alexander (“Respondent” or “Alexander”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Linda Dianne Alexander a/k/a Dianne Alexander, age 70, is a former Georgia resident who currently resides in Carlsbad, California. Alexander has never been registered with the Commission in any capacity or associated with a broker or dealer registered with the Commission.

B. ENTRY OF THE INJUNCTION

1. On December 6, 2012, an Order of Permanent Injunction was entered by consent against Alexander, permanently enjoining her from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”), Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Billy Wayne McClintock, et al., Civil Action Number 1:12-CV-4028, in the United States District Court for the Northern District of Georgia.

2. The Commission’s complaint alleges that, since at least 2004 Alexander has been conducting a Prime Bank-type investment fraud. The scheme involves the offer and sale of over \$15 million of securities in an unregistered offering to more than 220 investors and prospective investors in Georgia and at least 20 other states. The securities are in the form of investments in a purportedly highly clandestine Trust based in Europe that purportedly has the power to create money through fractional banking and bank debentures. Investors allegedly loan money to the Trust for automatically renewable terms of one year and one day, in exchange for 38% annual interest. Investors must follow the Trust’s strict rules to participate in the investment. Among other things, investors must keep the Trust a secret and, if they request a return of their principal, they are banned from further participation in the Trust. Respondent received transaction based compensation for effecting transactions on behalf of investors in connection with the purported loans to the Trust. The complaint further alleges that Alexander knowingly or recklessly made material misrepresentations and omissions of fact to investors and prospective investors concerning, among other things, the expected returns, the use of investor funds, and investment risks, and engaged in conduct which operated as a fraud and deceit on investors. The complaint further alleges that Alexander conducted an unregistered offering of securities and acted as an unregistered broker-dealer.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an

Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against her upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Elizabeth M. Murphy
Secretary