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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Alexander C. Burns (“Respondent” or “Burns”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph III.B. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

A. Burns, through another entity he owned and controlled, was the majority owner and control person of Southport Lane Management, LLC (“SLM”), a now defunct private equity firm based in New York. Southport Lane Advisors, LLC, a wholly owned subsidiary of SLM, was a
registered investment adviser from February 2013 until March 2014. Burns, age 31, is a resident of Charleston, South Carolina.

B. On October 19, 2018, a judgment was entered by consent against Burns, permanently enjoining him from future violations of Sections 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1), 206(2), and 206(3) of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Alexander C. Burns, et al., Civil Action Number 1:18-cv-09477, in the United States District Court for the Southern District of New York.

C. The Commission’s complaint alleged that, from March 2013 to February 2014, Burns, through SLM, acquired insurance companies and thereby obtained the ability to control the investment decisions for the insurance companies and those companies’ related reinsurance trusts. According to the complaint, Burns used fraudulent transactions, which he recommended through Southport Lane Advisors, LLC, to covertly steal money from the insurance companies and related reinsurance trusts. Burns’s alleged scheme ultimately led to at least five insurance companies having insufficient assets to pay policyholder claims, and the companies were placed into receivership.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in the Respondent’s Offer.

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that the Respondent Burns be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

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

Brent J. Fields
Secretary