

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 88192 / February 13, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19698

In the Matter of

MARTIN J. KINCHLOE,

Respondent.

**CORRECTED ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

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 Martin J. Kinchloe (“Respondent”).

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 paragraphs III(2.) below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(B) of the Exchange Act, 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

1. Kinchloe, age 41, is a resident of Garden Grove, California. Kinchloe solely owns and controls West Coast Commodities, LLC. From 2009 through at least October 2014, worked in various capacities for 808 Renewable Energy Corporation ("808 Renewable"), a company that operates cogeneration systems and sells the energy produced by these systems. Kinchloe solicited investors nationwide to purchase securities in 808 Renewable, circulated offering materials and marketing materials to prospective investors, and was paid commissions, either directly or through West Coast Commodities, LLC, for soliciting investors to purchase securities in 808 Renewable. Kinchloe is not and has never been registered with the Commission. Kinchloe was last registered with the National Futures Association in November 2010.

2. On December 11, 2019, a final judgment was entered by consent against Kinchloe, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 ("Securities Act"), and 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. Patrick S. Carter, et al.*, Civil Action Number CV-16-02070-JVS-DFM, in the United States District Court for the Central District of California.

3. The Commission's complaint alleges that from 2009 through at least 2014, Patrick S. Carter (808 Renewable's founder and president), 808 Renewable, 808 Investments, LLC (Carter's solely-owned and controlled company), Kinchloe, and others conducted fraudulent offerings of unregistered shares of 808 Renewable stock, raising over \$30 million from more than 500 investors nationwide. The complaint further alleges that investors were led to believe that they would earn a return on their investment and that their funds would be used to expand 808 Renewable's business. The complaint alleges that Carter misused and misappropriated investor funds to, among other things, pay commissions to Kinchloe and other sales representatives who helped him defraud investors. The complaint further alleges that, from 2010 through 2014, Carter and 808 Investments, LLC paid Kinchloe over \$1.1 million in commissions for soliciting investors to purchase 808 Renewable securities. The complaint also alleges that Kinchloe participated in the unregistered sale of 808 Renewable securities.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Kinchloe 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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman
Secretary