

ALABAMA SECURITIES COMMISSION
770 WASHINGTON AVE., SUITE 570
MONTGOMERY, ALABAMA 36130-4700
Telephone: (334) 242-2984 or 1-800-222-1253 Fax: (334) 242-0240
Email: asc@asc.alabama.gov Website: www.asc.alabama.gov

Houston County Man Arrested for Alleged Violations of Alabama Securities Act

MONTGOMERY, ALABAMA (November 16, 2008) The Honorable Douglas Valeska, District Attorney for the 20th Judicial Circuit, Houston County, Alabama; and, the Honorable Joseph Borg, Director of the Alabama Securities Commission (ASC), announce the arrest of Robert Edmondson, a resident of Dothan, Alabama, for alleged violations of the Alabama Securities Act. Edmondson was arrested October 23, 2008 by Houston County Sheriff's Department deputies and was transported to Houston County Jail where he was later released under \$100,000 bond.

As a result of an ASC investigation, a five-count indictment was returned against Edmondson by a September 2008 session of the Houston County Grand Jury alleging one count each of Sale of Securities by an Unregistered Agent, Omission of Material Facts in Connection with the Offer/Sale of a Security, Untrue Statements of Material Fact in Connection with the Offer/Sale of a Security and, two counts of Sale of an Unregistered Security. All charges are classified as Class C felonies under Alabama law.

The indictment alleges that Edmondson, being the owner of, and doing business as, Digicon Management Corporation, an electrical contracting business headquartered in Dothan, Alabama, solicited and sold investments in the form of shares of his company's stock to at least two Alabama investors. Approximately \$220,000 of investors' money was allegedly to be used to develop and market an electric power saving device for consumer use. Edmondson allegedly misled investors by promising to return their money should the venture fail. The device was not developed nor manufactured, investors did not receive their money back and the business eventually closed, according to the indictment. It is further alleged that Edmondson used the victims' money for his personal use as well as to fund the continued operation of his company.

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Edmondson is not registered by the ASC to conduct securities business in Alabama and there is no record of registration for Digicon Management Corporation or for the investment that Edmondson offered and sold to Alabama investors.

The ASC cautions potential investors to thoroughly scrutinize and research any investment opportunity or offer. Contact the ASC with inquiries concerning securities broker-dealers, agents, investment advisers, investment adviser representatives, financial planners, registration status of securities, to report suspected fraud or to obtain consumer information.

(NOTE: An arrest or indictment is not evidence that the defendant committed the crime(s) charged. The defendant is presumed innocent until the government meets its burden of proving guilt beyond a reasonable doubt in court).

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For further information contact Dan Lord, Education and Public Affairs manager, 9334) 353-4858 or email: dan.lord@asc.alabama.gov.

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