

ALABAMA SECURITIES COMMISSION

770 Washington Ave., Suite 570

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Former Bessemer Revenue Director Pleads Guilty to Violations of Alabama Securities Act

MONTGOMERY, ALABAMA (December 9, 2008) District Attorney Arthur Green, 10th Judicial Circuit, Bessemer Division and Director Joseph Borg, Alabama Securities Commission announced today that Ryan O. Rancher pled guilty to one count theft of property and four counts of securities violations before Circuit Judge Mac Parsons on Friday, December 5, 2008.

The plea agreement was the culmination of an eighteen-month investigation by the ASC alleging that Rancher, acting in the capacity of an investment adviser representative, solicited more than \$500,000 from Birmingham area residents for investment purposes. Rancher failed to invest some of the solicited money diverting it to personal use. Rancher also used investment funds to pay back bogus returns to investors in what is usually referred to as a Ponzi scheme. The investigation showed Rancher targeted clients ready to retire; his credentials include an undergraduate degree in economics from Auburn University and an MBA from the University of Alabama at Birmingham and claims of expertise to provide retirement services through long-term investment planning. Rancher failed to tell potential investors that on May 8, 2002 he had previously been barred from the securities industry in Alabama by the Alabama Securities Commission. Rancher was previously the Revenue Director for the City of Bessemer, Alabama and was terminated June 2007.

Rancher pled guilty to one count, Theft of Property, 1st Degree, a Class B felony under Alabama law; one count, Acting as an Investment Adviser Representative Without Being Registered, a Class C felony and, three counts of Investment Fraud, each being a Class C felony. A sentencing hearing for Rancher is scheduled for January 9, 2009 in Jefferson County Circuit Court.

Rancher was arrested by the Jefferson County Sheriff's officials on December 12, 2007 and released under \$40,000 bond. Two days later Rancher's bond was revoked and he was re-arrested for attempting to solicit another investment after his first arrest.

Potential investors are cautioned 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.

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For more information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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