

ALABAMA SECURITIES COMMISSION

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Mobile County Man Sentenced for Multiple Violations of Alabama Securities Act

MONTGOMERY, ALABAMA (October 7, 2009) John M. Tyson, Jr., District Attorney for the 13th Judicial Circuit, Mobile County, Alabama; and, Joseph Borg, Director of the Alabama Securities Commission (ASC) announce that Scott Anthony Harwell, a Mobile County resident, was sentenced Thursday, September 24, 2009, in Mobile County Circuit Court, for multiple violations of the Alabama Securities Act.

Mobile County Circuit Judge Charles Graddick presided over the sentencing hearing and imposed a sentence of 20 years imprisonment, split to serve five years, with five years of supervised probation to be served first in order to give Harwell an opportunity to pay \$166,702 in restitution to his victims.

“We want to thank the Mobile County District Attorney’s Office for prosecuting this case, helping negotiate the defendant’s guilty plea and presenting the state’s recommendation for sentencing,” said ASC Director Borg. “Also, a commendation goes to this Commission’s dedicated Enforcement Staff for conducting a thorough investigation in support of this case.”

On August 7, 2009, Harwell pled guilty to one count each of Sale of Unregistered Securities and Securities Fraud, both offenses classified as Class C felonies under Alabama law. Additionally, Harwell pled guilty to one count of Theft of Property, 1st Degree, a Class B felony. Harwell, formerly doing business as Bull and Bear Trading, Inc., a Mobile, Alabama-based company, offered for sale stock shares in the company to several Alabama investors. He also represented to investors that they would earn a return on their investments from an online system for executing trades in stocks, bonds, mutual funds and other financial instruments.

An investigation by ASC Enforcement Division personnel revealed that Harwell failed to inform investors that his company was not prepared to, nor capable of, executing online trades; and, that the stock offered and sold was not registered as required by Alabama law. Harwell used investors’ money for his personal benefit and other unrelated expenses.

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 or debt management programs, to report suspected fraud or to obtain consumer information. The ASC provides free investor education and fraud prevention materials in print, on our website and through educational presentations upon request.

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

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