

ALABAMA SECURITIES COMMISSION
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Ohio Man Pleads Guilty to Violation of Alabama Securities Act

MONTGOMERY, ALABAMA (February 13, 2009) Richard Minor, District Attorney for the 30th Judicial Circuit, St. Clair County, Alabama; and, Joseph Borg, Director of the Alabama Securities Commission (ASC), announce that Timothy Heyman, 38, a resident of Findlay, Ohio, pled guilty to a violation of the Alabama Securities Act. The plea was a result of an investigation conducted in conjunction with the St. Clair County District Attorney's office and subsequent indictment handed down by a September 2005 session of the St. Clair County Grand Jury.

On February 9, 2009, Heyman, identified as President of Heyman International, Inc., an Ohio business entity, pled guilty to one count of securities fraud, a Class C felony under Alabama law, arising from his operation of a classic "Ponzi" scheme that involved the offer and sale of "depository agreements" to more than 220 investors in 11 states, including at least 63 investors in Alabama. He was accused of fraudulently raising in excess of \$10 million from his victims between September 2001 and July 2008.

Heyman claimed that he had access to certain "proprietary high-yield depository accounts and trading programs" in the United States and abroad. He misrepresented the enterprise to investors, claiming that their funds would be deposited into the accounts "to increase the overall yield of the accounts," and that investors would realize a minimum of ten percent interest per month on their investment principal. The investigation revealed Heyman instead deposited investors' funds into a non interest-bearing account and used new investor funds to repay earlier investors and to pay personal non-business expenses.

Heyman was not registered with the ASC to conduct securities business in Alabama and the securities he offered and sold were not registered nor were they exempt from registration as required by law. Heyman was sentenced to 80 months imprisonment by the St. Clair County Circuit Court, to be served concurrently with a federal sentence he previously received in March 2008 in the Federal Court for the Northern District of Ohio. Victim restitution issues will be overseen by the federal court.

The ASC strongly encourages 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, the registration status of securities, to report suspected fraud or to obtain consumer information. # # #

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

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