

ALABAMA SECURITIES COMMISSION

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Jefferson County Man Indicted, Arrested for Alleged Violations of Alabama Securities Act

MONTGOMERY, ALABAMA (Nov. 3, 2010) Robert E. Owens, Jr., District Attorney for the 18th Judicial Circuit, Shelby County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC), announce the indictment and arrest of Kyle Andrew Hiers, a resident of Birmingham, for alleged violations of the Alabama Securities Act. Hiers turned himself in to the Shelby County Sheriff's Department authorities on Oct. 26, 2010 and is being held in lieu of \$142,000 bond.

An investigation by ASC Enforcement Division agents led to a 71-count indictment being returned against Hiers by the Sept., 2010 session of the Shelby County Grand Jury. The indictment alleges 17 counts of Sale of Unregistered Securities, 17 counts of Sale of Securities by an Unregistered Agent and 37 counts of Fraud in Connection with the Offer and Sale of Securities. The charges are classified as Class C felonies under Alabama law. A court date has not been set for Hiers to answer charges.

The indictment against Hiers alleges that between December 2003 and March 2008, Hiers, doing business as TKT Enterprises, LLC, headquartered in Shelby County, Alabama, offered and sold to approximately 25 Alabama investors, promissory notes valued at more than \$1.5 million which were to be used to fund short-term private mortgages. Allegedly, Hiers promised investors that their principle investment would be repaid with interest over a 30 to 60-day period. The ASC investigation revealed that Hiers allegedly used investors' funds for personal benefit and other expenses unrelated to the stated purpose. ASC records revealed that Hiers was not registered to conduct securities business in Alabama; and, neither his company nor the securities he allegedly offered and sold were registered with the ASC as required by law.

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.

(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 reasonable doubt in court).

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

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