

ALABAMA SECURITIES COMMISSION

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Two Morgan County Men Enter Securities Fraud-Related Pleas

MONTGOMERY, ALABAMA (Oct. 28, 2013) Scott Anderson, District Attorney for the 8th Judicial Circuit, Morgan County, Alabama; and Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that Larry Arthur Coulter and Eddie DeWayne Raines, both Morgan County residents, pled guilty in Morgan County Circuit Court to one felony count each of Fraud in Connection with the Sale of Securities. More specifically, Coulter pled guilty to one count of Engaging in a Scheme or Artifice to Defraud in connection with the illegal sale of stock shares. Raines pled guilty to one count of Conspiracy to Commit Securities Fraud. ASC Legal Division attorneys have recommended that both men receive seven-year (7) prison sentences and be required, jointly and severally, to pay in excess of \$300,000.00 in restitution. Both men have applied for probation and remain free on bond. Morgan County Circuit Court Judge Steven Haddock will review the probation requests prior to a formal sentencing and restitution hearing scheduled for Jan. 14, 2014.

Coulter and Raines were indicted by the Feb., 2012 session of the Morgan County Grand Jury and turned themselves in to the Morgan County Sheriff in March 2012, were arrested and subsequently released after posting bail. The Grand Jury indictment against Coulter and Raines was the result of an ASC Enforcement Division investigation which disclosed that the men illegally sold DEVTEC stock from their personal portfolios to Alabama investors; Coulter and Raines conspired to prevent the corporate secretary from knowing that the investors had purchased the stock and then used the investors' funds for personal expenses. Additionally, Coulter and Raines sold stocks to Alabama investors that had been previously sold to other stockholders and used that money for personal 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 additional information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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