

ALABAMA SECURITIES COMMISSION

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Telephone: (334) 242-2984 or 1-800-222-1253 Fax: (334) 242-0240

Email: asc@asc.alabama.gov Website: www.asc.alabama.gov

Florida Man Arrested for Alleged Alabama Securities Act Violations

MONTGOMERY, ALABAMA (February 25, 2014) Brandon K. Falls, District Attorney for the 10th Judicial Circuit, Jefferson County, Alabama; and Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that Randy Stuart Webman, of Hollywood, Florida, was arrested February 21, 2014, for alleged violations of the Alabama Securities Act. Webman was apprehended by Broward County, Florida Sheriff's Department deputies based on an indictment returned by the December, 2013 Jefferson County Grand Jury. Webman was subsequently released on a \$30,000 bond pending trial in Jefferson County.

Charges against Webman include one count each of Sale of Unregistered Securities; and Sale of Securities by an Unregistered Agent. Additionally, Webman is charged with three counts of Fraud in Connection With the Sale of Securities, including two counts of omitting to state a material fact, and one count of employing a device, scheme or artifice to defraud. All charges are Class C felonies under Alabama law, punishable by a maximum of 10 years' imprisonment and a \$15,000 fine for each count, upon conviction.

The indictment alleges that Webman, acting as agent for an out-of-state company, attempted to raise capital for a gold mining operation in Yavapai County, Arizona. The indictment further alleges that the defendant made contact with an Alabama investor and offered unregistered and non-exempt stock certificates and investment contracts. ASC Registration Division records revealed that neither Webman nor his company was registered to conduct securities business within, into or from Alabama as required by the Alabama Securities Act.

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.

(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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