

ALABAMA SECURITIES COMMISSION
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St. Augustine, Florida Man Indicted in Madison County, Alabama for Alleged Violations of Alabama Securities Act

MONTGOMERY, ALABAMA (July 22, 2014) Robert L. Broussard, District Attorney for the 23rd Judicial Circuit, Madison County, Alabama; and Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that on July 15, 2014, Gregory James Botolino of St. Augustine, Florida, was arrested by St. John's County, Florida Sheriff's deputies, based on a warrant issued for his arrest in Madison County, Alabama. Botolino remains incarcerated under a \$60,000 bond.

Botolino's arrest was the result of a June, 2014 Madison County, Alabama Grand Jury indictment charging him with four counts of alleged violations of the Alabama Securities Act. Charges include one count of Securities Fraud by employing a device, scheme or artifice to defraud; and three counts of Conspiracy to Commit Fraud in the Sale of a Security. At the time the offenses were allegedly committed, the securities fraud charge was a Class B felony under Alabama law, with possible punishment of from two to 20 years imprisonment and a \$30,000 fine per charge, upon conviction. The Conspiracy charges are Class C felonies, carrying a possible punishment of not more than 10 years, nor less than one year and one day imprisonment and not more than a \$15,000 fine per charge, upon conviction.

The indictment alleges that Botolino and others fraudulently solicited investor funds to be used in a managed gold "buy-sell" program. ASC records also revealed that Botolino is not registered with the ASC to legally conduct securities business in Alabama, as required by the Alabama Securities Act.

ASC Director, Joseph Borg acknowledged and thanked St. John's County, Florida Sheriff David B. Shoar and his department for their assistance in apprehending the defendant. Borg also said that the ASC's Enforcement Division continues to investigate the case with the cooperation of the Federal Bureau of Investigation in Birmingham, Alabama.

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.

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

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(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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