

ALABAMA SECURITIES COMMISSION
Post Office Box 304700
Montgomery, Alabama 36130-4700
Telephone: (334) 242-2984 or 1-800-222-1253 Fax: (334) 242-0240
Email: asc@asc.alabama.gov Website: www.asc.alabama.gov

Madison County Man Sentenced on Securities Fraud Charge

MONTGOMERY, ALABAMA (Aug. 10, 2012) Robert Broussard, District Attorney for the 23rd Judicial Circuit, Madison County, Alabama; and Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that on Aug. 8, 2012, Harry H. "Woody" Duncan of Huntsville was sentenced by Circuit Judge Jim Smith to 20 years in prison, split to serve five years, for violations of the Alabama Securities Act. The 15-year remainder of Duncan's sentence was suspended with the condition that he makes full restitution to all victims and file sworn quarterly financial statements, accounting for the sources of funds used to pay restitution. Duncan pled guilty to one count of Scheme or Artifice to Defraud in Connection with the Sale of Securities, a Class B felony. Duncan remains in custody awaiting transfer to the Alabama Department of Corrections.

Duncan also pled guilty to Theft in the First Degree, a Class B Felony, for which the District Attorney's Office recommended and the Court ordered Duncan to serve an additional 15-year sentence to run concurrent with the securities fraud case.

The Court ordered Duncan to pay \$512,063 restitution to seven investors named in the original indictment. The Court also ordered Duncan to pay a sum of \$179,000 to an additional victim identified by the ASC. A subsequent restitution hearing is scheduled in Madison County Circuit Court on Nov. 19, 2012 to determine if additional restitution is owed to other victims. **The ASC suggests that anyone who feels they may have been victimized by Duncan, contact the agency's Enforcement Division at 1-800-222-1253, as soon as possible and be prepared to testify at a Nov. 19, 2012 hearing date in order to be considered in the restitution process.**

An ASC Enforcement Division investigation led to an indictment against Duncan being returned by an Oct., 2011 term of the Madison County Grand Jury. The indictment alleged that, in March, 2011, Duncan offered and sold an unregistered promissory note to an investor on behalf of his automobile title pawn business, and allegedly represented that the investment would provide double-digit returns. The investigation also revealed that between Jan., 2003 and Oct., 2011, Duncan issued other promissory notes to Alabama investors on behalf of a company he previously operated, Title Lenders, Inc. Witnesses and bank records indicated that Duncan used most of the funds to repay prior investors or for non-investment purposes. Additionally, ASC records indicated that neither Duncan nor the securities he offered and sold were registered with the ASC as required by law. The ASC issued Duncan an Administrative Order to Cease and Desist from further offers and sales of securities within, into, or from 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.

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

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