

ALABAMA SECURITIES COMMISSION  
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## **California Man Pled Guilty to Alabama Securities Act Violations**

MONTGOMERY, ALABAMA (November 16, 2015) 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 Joseph P. Tufo, a resident of Concord, California pled guilty, before Judge James P. Smith, to a charge of Employing a Scheme to Commit Securities Fraud, a Class B felony punishable by a maximum of 20 years imprisonment and a \$30,000 fine. The ASC recommended a five year sentence. Tufo requested consideration of probation since he had served 11 months in the Madison County Jail and the court imposed a sentence of 5 years of supervised probation which will be transferred to CA. Also, Tufo was ordered to pay \$1.15 million in restitution to victims. Tufo is presently being held in the Madison County Jail until his probation can be transferred to California.

Tufo was arrested on December 19, 2014 for alleged multiple violations of the Alabama Securities Act and was apprehended by law enforcement authorities in Contra Costa County, California, based on indictments returned by the February, 2014 Madison County Grand Jury. A Co-defendant, Richard Hall, actually started the scheme from Georgia, and later continued to actually promote the scheme from Huntsville, Madison County, Alabama with other co-defendants; there were no Alabama victims from Tufo's participation. The scheme involved pitching to investors that their funds were to be used in a "No Risk" Gold trading program where Gold was purportedly bought and sold in Ghana, Africa. While misrepresenting to investors that the Gold program was "Completely Safe", "No Risk", "Totally Transparent" and funds would be held in an attorney's trust account, Tufo also failed to reveal several material facts to his investors including that he had previously lost his securities license due to unlawful activities and had filed bankruptcy. All other defendants in this multiple state Madison County Securities Scheme have entered pleas of guilt in Madison County.

Director Borg said, "The case was the result of a cooperative effort between the ASC Enforcement Division, the Madison County District Attorney's Office, the Madison County Sheriff's Office, the US Marshal's Office, the Federal Bureau of Investigation and the Contra Costa County Sheriff's Department."

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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