

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

Colbert County Man Arrested for Multiple Alleged Violations of Securities Law

MONTGOMERY, ALABAMA (October 13, 2022) – Bryce Graham, Jr., District Attorney for the 31st Judicial Circuit, and Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that Aaron Brooks Butler (33 years old), a New Market, Alabama resident, was arrested on 13 counts of securities law violations as a result of an indictment returned by the May 2022 Colbert County grand jury. Butler is currently out on a \$30,000 bond. His arraignment is scheduled for November 29, 2022 in Colbert County.

Butler was charged with 13 counts of securities law violations, including eleven counts of securities fraud, one count of sale of securities by an unregistered agent, and one count of sale of an unregistered security. Securities fraud is a Class B felony with a range of punishment from 2 to 20 years' incarceration and a fine of up to \$30,000 per charge. Registration violations are Class C felonies with a range of punishment from one year and one day to 10 years' incarceration and a fine up to \$15,000 per charge.

The indictment alleges that Butler, acting as the sole principal of Negus Capital Inc., solicited investments of at least \$84,000 from investors. Butler allegedly told investors the funds would be used in connection to buying and selling foreign currency, derivative options and other investments. However, the indictment alleges, he used investors' funds for other purposes including travel expenses, jewelry purchases, cash withdrawals and/or personal expenses.

The ASC would like to thank the Colbert County Sheriff's Office for assisting with the arrest of Butler and the CFTC for their assistance in this matter.

The ASC cautions investors to thoroughly research any investment opportunity. Call the ASC at 1-800-222-1253 and ask for the registration department to check out persons offering investment opportunities, investment advice for a fee and any products they offer. Contact the ASC to report suspected fraud, inappropriate securities business practices, or to obtain consumer information. Free investor education and fraud prevention materials are available at www.asc.alabama.gov.

(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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For further information contact 1-800-222-1253 and ask for Public Affairs.

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