

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

New Market Man Pleads Guilty to Securities Fraud

MONTGOMERY, ALABAMA (January 10, 2023) – 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, pled guilty to one count of Securities Fraud before the Honorable Circuit Court Judge Kyle W. Brown.

Aaron Butler, acting as the sole principal of Negus Capital Inc., told investors that their funds would be used to buy and sell foreign currency, derivative options and other investments. However, he used investors' funds for other purposes, including travel expenses, jewelry purchases, cash withdrawals and/or personal expenses.

“If a person offers you an investment opportunity that is 100% guaranteed and contains zero risk, run away with your money,” said Chief Deputy Director Amanda Senn. “A red flag of investment fraud is the promise of an unusually high rate of return and such an investment should be closely scrutinized. An investment opportunity that is risk free is almost always too good to be true.”

As part of the plea agreement, the defendant will be sentenced to serve 15 years confinement. The sentence will be split so that three years are served with the Alabama Department of Corrections followed by five years supervised probation. The defendant has also agreed to pay restitution in the amount of \$123,250 to 21 individuals. Butler will be subject to a permanent bar from participating in the securities industry within the State of Alabama. Securities Fraud is a class B felony, and the punishment ranges from 2 to 20 years of confinement, and a fine not to exceed \$30,000. The sentencing will occur on a date to be set by a future court order.

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.

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

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