



Department of Justice

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DOTHAN MAN SENTENCED TO 90 MONTHS FOR SECURITIES FRAUD SCHEME

Montgomery, Alabama - Montgomery, Alabama - Edward Lincoln Forehand, age 68, of Dothan, Alabama, was sentenced today to 90 months on his convictions for securities fraud, mail fraud, wire fraud, and money laundering, announced the U.S. Attorney's Office for the Middle District of Alabama and the Alabama Securities Commission (ASC).

Between 2006 and November 2009, Forehand, used the business name "USA Marketing," to solicit investments from people, mainly in South Alabama and the Florida Panhandle. Forehand told investors that he had a relationship with an individual, Vicky Yeager. Yeager had a business, Elite Marketing ("Elite"), which had agreements with colleges and universities to sell them cookware. Forehand solicited investments in Elite from his victims. He promised the victims extraordinarily high rates of return on their investment in Elite (up to 700%).

Rather than sending all of the investors' money to Elite, Forehand used large amounts of the money to pay prior investors and to buy property and other items for himself. In particular, during the period from 2006 to November 2009, Forehand received \$6.2 million from investors but only sent \$1,605,790 to Elite. Meanwhile, Forehand promised to pay out to investors over \$19 million.

Forehand also failed to disclose that in August 2009, six checks from Elite to USA Marketing totaling \$600,000 bounced, that Elite never made good on the checks, and that from that point forward, Forehand stopped sending any investor money to Elite. Forehand also concealed Yeager's true identity and the fact that Yeager had two prior criminal convictions for fraudulent conduct.

On November 10, 2009, Yeager died. After Yeager's death, Forehand paid no further funds to investors, and 87 investors lost approximately \$2,991,654 of the monies they had given Forehand to invest in Elite.

“The sentence today vindicates the victims who lost money due to Edward Forehand's fraud. His 90-month term of imprisonment provides a necessary punishment for his role in orchestrating and carrying out a years-long, multimillion-dollar Ponzi scheme that caused significant losses to well over 100 individuals,” stated Louis V. Franklin, Criminal Chief at the U.S. Attorney's Office.

Alabama Securities Commission Director Borg said, “We are very pleased with the sentence handed down by the Court today. We believe Judge Thompson sent a clear message to those people who are planning on or thinking about engaging in financial scams that such behavior will not be tolerated. We are proud to have been able to work with the U.S. Attorney for the Middle District of Alabama and the FBI to bring Forehand to justice.”

The case was investigated by Special Agents of the Alabama Securities Commission, the FBI and the Dothan Police Department with special help from the United States Marshal Service. The case was prosecuted by Special Assistant United States Attorneys Steve P. Feaga and Gregory M. Biggs of the Alabama Securities Commission, and Assistant United States Attorneys Jared Morris and Tommie B. Hardwick.