

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](mailto:asc@asc.alabama.gov) Website: [www.asc.alabama.gov](http://www.asc.alabama.gov)

## **Former Blount County Man Pleads Guilty to Alabama Securities Act Violations**

MONTGOMERY, ALABAMA (Jan. 24, 2012) Pamela Casey, District Attorney for the 41<sup>st</sup> Judicial Circuit, Blount County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announced today that David Ray Pinyan, a former resident of Blount County, now residing in Tennessee, pled guilty to a single count of Fraud in Connection with the Sale of Securities. Circuit Court Judge David A. Kimberly sentenced Pinyan to 10 years in prison, suspended, and placed him on five years' probation. Pinyan was given credit for jail time served since Nov., 2011. The plea agreement made by prosecutors with Pinyan, after consultation with investors/victims, considered that Pinyan would be more capable of meeting his obligations toward victim restitution if allowed to serve the balance of his sentence on probation. A restitution hearing is scheduled within the next 60 days at which time the Court will determine the amount Pinyan must repay investors. He also agreed to have no contact with investors related to this case. Upon Pinyan's guilty plea, additional charges outlined in the indictment, as well as additional charges pending in Cleburne County, were dismissed.

Pinyan was arrested on May 4, 2010 by Sevierville and Pigeon Forge, Tennessee law enforcement officials and later extradited to Alabama to face charges that he violated provisions of the Alabama Securities Act. Pinyan's arrest stems from a 12-count indictment returned by an April 2010 session of the Blount County Grand Jury. An investigation by ASC Enforcement Division agents revealed that, beginning in May 2006 and continuing through August 2007, Pinyan allegedly used schemes centered on various land development opportunities and transactions involving the buying and selling of automobiles. Pinyan allegedly used these schemes to defraud Alabama investors of several thousands of dollars, allegedly promising the investors "profit" on their investment principal. The indictment also alleged that Pinyan made untrue statements of material fact during the offer and sale of the investment in question. The indictment further alleged that Pinyan did obtain by deception the funds from the Alabama investors which he converted for his personal use and that he failed to divulge details concerning the business deals. ASC records revealed that neither Pinyan nor the investment opportunities he offered and sold were registered with the ASC as required by law.

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.

For further information contact Dan Lord, Education and Public Affairs Manager, Alabama Securities Commission (call 334-353-4858 or email [dan.lord@asc.alabama.gov](mailto:dan.lord@asc.alabama.gov)) or

Pamela L. Casey  
District Attorney-41<sup>st</sup> Judicial Circuit  
220 2<sup>nd</sup> Avenue, East Suite 210  
Oneonta, AL 35121  
Phone (205) 625-4171  
Fax (205) 625-3729  
[www.blountcountyda.com](http://www.blountcountyda.com)