

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

Alabama Man Pleads Guilty to Securities Fraud in Tuscaloosa County

MONTGOMERY, ALABAMA (October 1, 2019) Hays Webb, District Attorney for the 6th Judicial Circuit, Tuscaloosa County, Alabama; and Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announced that on September 26, 2019, Michael Holmes (Holmes) pled guilty before the Honorable Circuit Court Judge Allen W. May to Securities Fraud for fraudulent investments related to producing signage.

Between September 2018 through October 2018, Holmes, convinced two people to invest in alleged contracts he had to produce signs for a business. The agreement was that the two victim investors would help fund the jobs and would receive their principal and a profit for their investment based on the work and effort of Holmes. However, Holmes misled the victim investors because Holmes was not contracted to produce any signs. Instead, Holmes used the money on personal expenses.

Holmes was ordered by Judge May to make complete restitution of \$20,000.00 to the victims and Holmes consented to a permanent bar from participating in the securities industry within the State of Alabama. Holmes was sentenced to 5 year reverse split sentence to serve 2 years, with five years' probation. Securities Fraud is a Class B felony, punishable by not less than two years, but no more than 20 years in prison, and a fine not to exceed \$30,000.

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, 334-353-4858.

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