

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

California Man Arrested for Alleged Outstanding Alabama Securities Violations

MONTGOMERY, ALABAMA (October 28, 2015) Brian A. McVeigh, District Attorney for the 7th Judicial Circuit, Calhoun County, Alabama; and Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that Daniel Scott Register ("Register"), of Valencia, California, was arrested by the Orange County, California Sheriff's Department on October 6, 2015. On October 9, 2015 Register was transferred to a correctional facility in Los Angeles, California and a hold placed on him for pending felony charges in Calhoun County, Alabama for securities violations. However, Register first faces probation violation charges in California, which are unrelated to the securities violations. A hearing will be scheduled in California for the probation violation charges, after which possible extradition to Alabama on the securities charges.

A March, 2014 session of the Calhoun County Grand Jury returned a four-count indictment against Register, alleging one count of Acting as an Unregistered Investment Adviser; two counts of Fraud in Connection with the Advising Others as to the Value of Securities or their Purchase or Sale (employing a device, scheme or artifice to defraud and engaging in an act, practice or course of business which operated as a fraud or deceit); and one count of Theft of Property by Deception, 1st Degree. At the times the offenses were allegedly committed, the securities registration charge was a Class C felony, punishable from one to ten years' incarceration and up to a \$15,000 fine per charge, upon conviction. The fraud and theft charges were Class B felonies, carrying a possible sentence from two to 20 years' imprisonment and up to a \$20,000 fine per charge, upon conviction.

The indictment alleged that, between, on or about January 25, 2011 to November 10, 2011, Register advised an Alabama investor to liquidate their existing investment account and transfer approximately \$26,000 to an individual retirement account for the purpose of purchasing gold or other precious metals. The indictment further alleged that Register provided a Wall Street Bullion Exchange invoice reflecting the purchase of gold on behalf of the investor, but instead, spent investor funds on personal and other unrelated expenses. The indictment alleges that Register was not properly registered with the Alabama Securities Commission to advise others as to investing in, purchasing, or selling securities as required by the Alabama Securities Act.

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.

(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 Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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