

ALABAMA SECURITIES COMMISSION

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Kentucky Men Indicted, Arrested for Alleged Violations of Alabama Securities Act

MONTGOMERY, ALABAMA (Nov. 1, 2010) Ellen I. Brooks, District Attorney for the 15th Judicial Circuit, Montgomery County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC), announce the indictments and arrests of Gary Byron Hogan, a resident of Louisville, Kentucky; and, William Louis Moore, a resident of Scottsville, Kentucky for alleged multiple violations of the Alabama Securities Act. Hogan turned himself in to the Montgomery County Sheriff's Department on Sept. 8, 2010 and was released on bond. Moore turned himself in to Montgomery County authorities Oct. 8, 2010 and was released on bond.

As a result of an investigation by ASC Enforcement Division agents, a five-count indictment was returned against Hogan by the August, 2010 session of the Montgomery County Grand Jury, alleging two counts of Securities Fraud, one count each of Sale of Unregistered Securities, Sale of Securities by an Unregistered Agent and Theft of Property by Deception, 1st Degree. According to Court records, Hogan pled guilty to two counts of Securities Fraud and guilty to one count of Sale of Unregistered Securities during an Oct. 20, 2010 hearing in Montgomery County Circuit Court. As part of Hogan's plea agreement, he was ordered to pay victim restitution and court costs. Hogan will face a sentencing hearing Dec. 14, 2010.

The Grand Jury also returned a three-count indictment against Moore, related to the indictment against Hogan. Moore was charged with one count each of Sale of Unregistered Securities, Securities Fraud and Theft of Property by Deception, 1st Degree. At the time of the alleged actions by the men, the securities-related charges were classified as Class C felonies under Alabama law; Theft of Property 1st Degree is classified as a Class B felony. A court date for Moore has not been set.

The indictments against Hogan and Moore allege that in 2007, the men, doing business as Barren Resources Group, LLC, a Nevada corporation, offered and sold to an Alabama investor a one-quarter interest in an oil and gas exploration and drilling venture purportedly managed by the duo's company. The indictment further alleged that the Alabama investor spent \$7,500 in the venture and that Hogan and Moore, in their capacity as company president and vice president respectively, failed to use investor funds as represented in the offering of the security but instead used investor money for personal expenses unrelated to the stated purpose. ASC records show that neither man was registered with the Commission to conduct securities business within or into Alabama and there is no record of registration for the security allegedly offered and sold to the Alabama investor.

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.

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For further information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

(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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