

ALABAMA SECURITIES COMMISSION

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Madison County Man Arrested for Multiple Alabama Securities Act Violations

MONTGOMERY, ALABAMA (Nov. 23, 2011) Robert Broussard, District Attorney for the 23rd Judicial Circuit, Madison County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announced today that Harry H. “Woody” Duncan, a Huntsville, Alabama resident, was arrested Nov. 18, 2011 by Madison County Sheriff’s authorities for multiple violations of the Alabama Securities Act. An investigation by ASC Enforcement Division agents led to a 50-count indictment against Duncan being returned by the October, 2011 term of the Madison County Grand Jury. Duncan was jailed and remains in custody under a \$1,185,000 bond. Presiding Circuit Court Judge Alan Mann imposed special conditions on Duncan in the event of his release. Namely, Duncan must surrender his passport and is prohibited from instructing potential witnesses to destroy or conceal evidence or to otherwise mislead law enforcement officials.

Specifically, Duncan was charged with 11 counts each of Sale of Unregistered Securities and Sale of Securities by an Unregistered Agent; 21 counts of Fraud in Connection with the Sale of Securities involving Material Misrepresentation; six counts of Theft of Property by Deception, 1st Degree; and, one count of Fraud in Connection with the Sale of Securities with Scheme or Artifice to Defraud. The indictment alleges that Duncan unlawfully solicited approximately \$400,000 from eight Alabama investors.

The ASC investigation revealed that in March, 2011, Duncan offered and sold an unregistered promissory note for \$25,000 to an Alabama investor on behalf of his business, and allegedly represented that the investment would provide double-digit returns. The ASC issued Duncan an Administrative Order to Cease and Desist from further offers and sales of securities within, into or from Alabama. Further investigation disclosed that between January, 2003 and December, 2008, Duncan allegedly issued promissory notes to Alabama investors on behalf of Title Lenders, Inc., a title pawn business that he previously operated. ASC records indicated that neither Duncan, nor the securities he allegedly offered and sold to investors were registered with the ASC, as prescribed 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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