

ALABAMA SECURITIES COMMISSION

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Alabama Securities Commission Seeks Justice for Cast of Victims in Movie Investment Scam

Montgomery, Ala., (November 8, 2021) – David Matthew Raney pleaded guilty to one count of securities fraud in Shelby County for defrauding seven Alabama investors out of over \$1.4 million. The offense is a Class B felony, punishable by up to 20 years in prison and up to a \$30,000 fine. Raney is scheduled to be sentenced on December 6, 2021 by Circuit Judge Lara Alvis. As part of his plea agreement, Raney was ordered to pay \$1,028,194.82 in restitution.

Raney's plea is the result of a November 2016 indictment by the Shelby County Grand Jury. After indictment, Raney fled and was finally apprehended in May 2019. As part of his scheme, Raney told investors their funds would be used to produce movies, but instead, most of the invested funds were used by Raney to pay personal and unrelated expenses, and to make payments to co-conspirators and payments to other investors. In his pitch, investors were told large sums of additional funding had been committed to filming movies, when no such funding had been acquired, and Raney misrepresented the anticipated production dates of the films and the dates of repayment. Raney failed to tell investors that he had unsuccessfully attempted to produce the films for many years and that his previous film company was forced into involuntary bankruptcy. Raney also omitted to tell investors that he was in default on a prior loan and that a previous investor was now claiming ownership of the movie rights due to the default. Neither Raney, nor the investments he offered and sold to Alabama investors, were registered with the ASC, as required by the Alabama Securities Act.

The ASC expresses their gratitude to District Attorney Jill Lee of the 18th Judicial Circuit of Shelby County Alabama and her staff for their exceptional work on this case and their dedication to protecting Alabama residents from fraud.

The ASC cautions investors to thoroughly research any investment opportunity. Call the ASC at 1-800-222-1253 and ask for the registration department to check out persons offering investment opportunities, investment advice for a fee and any products they offer. Contact the ASC to report suspected fraud, inappropriate securities business practices, or to obtain consumer information. Free investor education and fraud prevention materials are available at www.asc.alabama.gov.

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For further information contact 1-800-222-1253 and ask for Public Affairs.

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