

## 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](mailto:asc@asc.alabama.gov) Website: [www.asc.alabama.gov](http://www.asc.alabama.gov)

### Faith-Based Board Game Swindler Busted by the Alabama Securities Commission

**MONTGOMERY, ALABAMA (December 6, 2019)** – Charlotte Tesmer, District Attorney for the 2nd Judicial Circuit, Butler County, Alabama; and Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announce that Rozell Adams was sentenced before Circuit Court Judge Terri B. Lovell on December 5, 2019 for one count securities fraud, which is a Class B felony.

Adams was sentenced to ten years incarceration to be served on a reverse-split sentence basis. After five years of probation, he will serve one year in the penitentiary or show good cause why the split portion of the sentence should be suspended. Ultimately, 71 investors were taken advantage of and Adams' sentence included an order to pay full restitution of \$12,480 to the victims, and a fine of \$500 and other court costs. Furthermore, Adams consented to a permanent bar from participating in the securities industry within the State of Alabama.

Adams pled guilty for failing to disclose to investors that he did not have the rights to sell the board game (Kingdom of Eloi) and that neither he nor the game's stock was registered with the Alabama Securities Commission as required by Alabama law. Adams instigated an affinity fraud when he convinced a high school acquaintance of the merits of investing in a "Christian" board game. The victim, who had significant influence in the community, invested and introduced Adams to other church and community leaders. The pool of investors grew. Victims were told their investments would be used for mass-producing the faith-based board game. However, the money was spent on Adams' personal expenses.

"The dollar amount of an investment fraud is inconsequential. If the commission believes a crime occurred against Alabamians, we will pursue legal action. The disheartening side of this scam is how Adams took advantage of the faith and trust of so many," said Alabama Securities Director Joseph P. Borg.

Adams was indicted on September 9, 2014 by a Butler County Grand Jury and his whereabouts were unknown. On October 15, 2018 he was arrested and pled guilty in Florida to a similar crime. After release from Florida, Adams reported to Alabama authorities and was served on September 10, 2019.

"Today's sentencing should send a clear message that the Alabama Securities Commission will actively seek retribution for Alabamians who are victims of securities fraud. This is a victory for the State as well as the victims in Butler County and I am grateful for the collaboration of Assistant District Attorney Stephen J. Townes," said Associate Counsel for the Alabama Securities Commission, Anne W. Gunter.

Adams' scam is an example of affinity fraud, which is an investment scam that preys upon members of identifiable groups, which include churches, the elderly, ethnic groups, and professional groups. The best way to protect yourself from affinity fraud is to contact the ASC to ensure that the professional or the products offered are registered as required by Alabama law. Never make an investment decision that is based solely on

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the recommendation of a member of an organization, or religious or ethnic group to which you belong. Always investigate thoroughly and verify the legitimacy of every statement that you are told about the investment.

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.

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