

**United States Attorney Joyce White Vance
Northern District of Alabama**

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Former Attorney Pleads Guilty to Securities and Bank Fraud

ANNISTON -- A former Birmingham attorney pleaded guilty today in federal court to charges connected with a securities fraud scheme involving the fraudulent taking of more than \$2.8 million dollars in investment funds, announced U.S. Attorney Joyce White Vance, FBI Special Agent in Charge Richard D. Schwein Jr. and Alabama Securities Commission Director Joseph Borg.

CHRISTOPHER SHAWN LINTON, 34, of Alabaster, entered his plea before U.S. District Judge Virginia Emerson Hopkins to one count each of wire fraud, mail fraud, securities fraud and money laundering as part of the investment fraud scheme. He also pleaded guilty to one count of bank fraud arising out of the submission of a fraudulent commercial loan application to Iberia Bank for a loan of \$908,650.

As part of his plea agreement, Linton is required to pay \$2.5 million in restitution to the investors he defrauded, and to pay restitution to Iberia Bank in an amount that will be determined at sentencing. Sentencing is scheduled May 29.

"This Commission is proud to be able to combine our efforts and resources with those of the U.S. Attorney's Office, Northern District of Alabama, and the FBI, to achieve a just and strong conviction against Linton," Borg said. "Hopefully, this verdict will provide some relief to victims involved in this case who were defrauded out of their hard-earned dollars."

According to Linton's plea agreement, he conducted the securities fraud scheme as follows:

In 2007, Linton became an officer, partner and part owner of a business known as Integrity Capital Inc., by purchasing stock in the company. Integrity Capital Inc. was a factoring business located in the greater Birmingham area. Its business was to make advance payments to lawyers who had submitted payment vouchers for work performed for the State of Alabama. Integrity Capital would then receive the voucher payments from the state and keep a percentage as a fee.

In 2009, Linton formed Integrity Capital LLC. Beginning about August 2009, Linton recruited investment advisors to solicit investments in Integrity Capital LLC, in order to purchase the assets and capital stock of Integrity Capital Inc. Between September 2009 and December 2011, 12 individuals invested more than \$2.8 million in Integrity Capital LLC. The investors mailed, wired or delivered money to Linton, who deposited the money into one of several bank accounts held by the law firm where he was a partner.

After receiving the investor funds, Linton fraudulently converted them for personal use by writing personal checks to himself and by using the funds for non-investment purposes. The non-investment purposes included, but were not limited to, the purchase of his personal residence, construction projects at the residence, private jet flights, vacations, recreational vehicles, furniture, luxury items, Auburn football tickets and a donation to the Heisman Trophy Trust.

Linton committed bank fraud in January 2012 when he submitted fraudulent personal financial statements to Iberia Bank and received two commercial loans totaling \$908,650, according to his plea agreement. His financial statements inflated the value of his personal residence and falsely stated that he owned the residence and other real property.

The maximum penalty for wire fraud and for mail fraud is 20 years in prison and a \$250,000 fine; the maximum penalty for money laundering is 10 years in prison and a \$250,000 fine; and the maximum penalty for securities fraud is five years in prison and a \$250,000 fine. The maximum penalty for bank fraud is 30 years in prison and a \$1 million fine.

The FBI and Alabama Securities Commission investigated the case, which Assistant U.S. Attorney Robin Beardsley Mark is prosecuting along with Assistant Attorney General Greg Biggs with the Alabama Securities Commission.

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This case was worked in collaboration with the U.S. Attorney's Office, Northern District of Alabama, the Alabama Securities Commission and the FBI. Please let me know if you have further questions or a request for comment.

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