

**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)

**Arizona Man Sentenced in Talladega County  
for Alabama Securities Act Violations**

MONTGOMERY, ALABAMA (Mar. 15, 2010) Steven Giddens, District Attorney for the 29<sup>th</sup> Judicial Circuit, Talladega County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announced today that Gene Grobstein, a Scottsdale, Arizona resident, was sentenced to a one-year suspended sentence in Talladega County Circuit Court, Mar. 10, 2010 for conspiracy to violate the Alabama Securities Act, a Class A Misdemeanor. The Court was satisfied that Grobstein had paid \$63,832 restitution in full to an Alabama investor who was victimized in the investment scheme.

As a result of an ASC investigation, an indictment was returned against Grobstein by the Talladega County Grand Jury in October 2008, alleging two counts of Sale of an Unregistered Security. Grobstein was arrested after turning himself in to ASC Enforcement Division agents and the Talladega County Sheriff. The indictment alleged that Grobstein, doing business as GG Consulting International, described as a financial consulting firm registered in Arizona, conspired with Gary Mitchell, a Sylacauga resident, to offer and sell promissory notes to an Alabama investor between September and October 2004. Mitchell was sentenced in Talladega County in 2009 to seven years in prison for multiple counts of securities fraud and is incarcerated with the Alabama Department of Corrections.

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.

###

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

**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)