

ALABAMA SECURITIES COMMISSION
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Von Kanel Sentenced for the Sale of Unregistered Securities; Faces Indictments in Jefferson County

MONTGOMERY, ALABAMA (April 2, 2007) Honorable Gary L. McAliley, District Attorney, 12th Judicial Circuit in Alabama, Honorable Troy King, Alabama Attorney General and Honorable Joseph P. Borg, Director, Alabama Securities Commission announced that Michael L. Von Kanel, a Hoover, Alabama resident, plead guilty to one count of sale of unregistered securities in the State of Alabama before Circuit Court Judge Thomas E. Head, III, in the Coffee County Courthouse, March 29, 2007. Von Kanel was sentenced to ten years in the state penitentiary, split to serve three years. This sentence will run concurrent if further sentences result from indictments in Jefferson County. Von Kanel will face future hearings in Jefferson County related to Grand Jury indictments alleging involvement in a securities scheme. Victim restitution issues will be decided after this case is resolved in Jefferson County.

"The teamwork evidenced by these cases protects our citizens and saves tax dollars by combining resources from various law enforcement agencies in Alabama," said Director Borg. "A special thanks to the Attorney General's office, the District Attorney's offices in Coffee and Jefferson County, the Alabama Securities Commission Prosecutor and Enforcement Division, and local law enforcement authorities, including the Sheriff and Hoover, Alabama Police who worked together to serve and protect Alabamians."

"Michael Von Kanel's victims trusted him to help them plan and provide for a more secure future; instead, he exploited them," said Attorney General King. "He continued his illegal practices, despite an order from the Alabama Securities Commission to cease and desist. Today, the Attorney General's Office and the Securities Commission stand together to see that this defendant is held accountable for his crimes."

This plea stemmed from an indictment returned by a November 2005 session of the Coffee County Grand Jury. It alleged that from December 2000 to January 2002, Von Kanel and others offered and sold securities to residents of Coffee County, Alabama described as Cash Flow Agreements of World Wide Wall Street (WWW) for a real estate development in Nassau, Bahamas. The indictment alleged that none of the securities sold were registered for sale in Alabama and Von Kanel was not registered as an agent to sell securities in Alabama. These violations of the Alabama Securities Act are punishable as Class C felonies. Additionally, Von Kanel is charged with making false statements and failing to disclose material facts to the investors identified in this case.

The ASC cautions potential investors to thoroughly check out any investment opportunity prior to handing their money over to possible unscrupulous companies or individuals. Contact the ASC with inquiries concerning securities broker-dealers, agents, investment advisors, investment advisor representatives, financial planners, the registration status of securities or to report suspected fraud.

(Note: An indictment itself is not evidence that the defendants committed the crimes charged. The defendants are presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt).

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If you have further questions call Dan Lord, Education and Public Affairs, Manager at 334-353-4858;
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