

ALABAMA SECURITIES COMMISSION

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Email: asc@asc.alabama.gov Website: www.asc.alabama.gov

South Carolina Resident Sentenced In Alabama for Fraud in Connection with the Sale of Securities

MONTGOMERY, ALABAMA (April 23, 2012) Thomas M. Smith, District Attorney for the 6th Judicial Circuit, Tuscaloosa County, Alabama; Bill Adair, District Attorney for the 14th Judicial Circuit, Walker County and, Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that Michael Kevin Mullen, 58, an Aiken, South Carolina resident was sentenced to 10 years imprisonment in a penitentiary of the State of Alabama, and given 400 days of jail credit for previous time served. Mullen's application for probation was granted by the court and he will serve on supervised probation for five years with special conditions that he will pay all court ordered monies and will not sell securities in the State of Alabama. Mullen was ordered to pay \$323,885.65 in restitution to victims of his investment scheme.

On Feb 29th Mullen pled guilty to two (2) counts of Fraud in Connection with the Sale of Securities, both being Class C felonies.

Mullen was arrested by Austrian authorities in July 2008 and resisted extradition to the United States; the ASC initiated a successful application to extradite Mullen. Austrian authorities later released Mullen to the custody of U.S. Marshals who transported him back to Tuscaloosa, Alabama for incarceration. Mullen's extradition and arrest stem from indictments issued in March 2007 and May 2008 sessions of the Tuscaloosa and Walker County Grand Juries respectively, charging Mullen with illegally soliciting approximately \$215,000 from at least three Alabama investors through his company, Riggabella Professional Services, Inc., a for-profit real estate holding company headquartered in South Carolina, which was dissolved in 2005. The indictments alleged that Michael Kevin Mullen solicited investor funds to purchase preferred stock in his company which he represented to be a safe investment that would garner double-digit returns. He also represented to investors that their funds would be used to purchase a \$1.5 million certificate of deposit to be used to obtain underwriting by Bank of America to back a \$10 million real estate transaction. Alabama investor funds were allegedly comingled with other investor money for personal expenses.

The ASC strongly encourages potential investors to thoroughly scrutinize and research any investment opportunity or offer. Contact the ASC (Call: 1-800-222-1253) with inquiries concerning securities broker-dealers, agents, investment advisers, investment adviser representatives, financial planners, registration status of securities, to report suspected fraud or to obtain consumer information.

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

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