

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 Website: www.asc.alabama.gov

Madison County Man Arrested for Alleged Violations of the Alabama Securities Act

MONTGOMERY, ALABAMA (April 27, 2010) Robert L. Broussard, District Attorney for the 23rd Judicial Circuit, Madison County, Alabama; and, Joseph Borg, Director of the Alabama Securities Commission (ASC), announce that Matthew Arnold Gibson, a Madison County resident, was arrested for alleged violations of the Alabama Securities Act. Gibson turned himself in to the Madison County Sheriff's Department on Jan. 29, 2010. He was subsequently released under \$30,000 bond.

A 20-count indictment returned by a Dec., 2009 session of the Madison County Grand Jury charged Gibson with six counts of Sale of Unregistered Securities; five counts of Sale of Securities by an Unregistered Agent; and, six counts of Securities Fraud involving Material Misrepresentations or Omissions, all Class C felonies under Alabama law. Additionally, Gibson was charged with three counts of Theft of Property by Deception, 1st Degree, a Class B felony. The charges are a result of an ASC Enforcement Division investigation into a failed industrial park development deal in Choctaw County, Alabama in which nine Alabamians invested money with Gibson's company, Starboard Alabama, LLC, headquartered in Huntsville, an affiliate of Starboard Capital, Inc., of Satellite Beach, Florida. Alabama investors were allegedly issued promissory notes, investment contracts and other forms of investment instruments by Gibson in return for their money, which was purportedly to be used for the development of a business and industrial park in Butler, Alabama. The investors lost approximately \$432,000 in the failed venture with the majority of the investors' money allegedly used by Gibson for personal and other unrelated business expenses.

Also apprehended in connection with the same case was Bruce J. Mabey, a Salt Lake City, Utah resident, who was arrested on outstanding warrants by U.S. Customs officers in Atlanta, Georgia on Mar. 29, 2010. Mabey was transported to the Clayton County, Georgia Sheriff's Department detention facility and later transported to Madison County, Alabama to face charges. Mabey was subsequently released from Madison County Jail after posting a \$25,000 bond. Mabey was indicted by the Dec., 2009 session of the Madison County Grand Jury and charged with one count each of Sale of Unregistered Securities and Sale of Securities by an Unregistered Agent; one count of Securities Fraud by Scheme or Artifice; and, one count of Securities Fraud involving Material Misrepresentations or Omissions. All charges are Class C felonies. Mabey's involvement with Gibson centered on his alleged offer and sale of investment contracts to Alabama investors in connection with the Choctaw County, Alabama industrial park development plan. Both Gibson and Mabey are scheduled for trial in Madison County at a later date.

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

- more -

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.

###

(NOTE: An arrest or indictment is not evidence that the defendant committed the crime(s) charged. The defendant is presumed innocent until the government meets its burden of proving guilt beyond reasonable doubt in court).

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 Website: www.asc.alabama.gov