

**ALABAMA SECURITIES COMMISSION**

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## **Etowah County Man Pleads Guilty to Alabama Securities Act Violations**

MONTGOMERY, ALABAMA (May 17, 2011) Jimmie Harp, District Attorney for the 16<sup>th</sup> Judicial Circuit, Etowah County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announced today that William W. Bush, a Gadsden, Alabama resident, pled guilty in Etowah County Circuit Court on May 9, 2011 to committing Securities Fraud.

Bush was indicted by the 2008 Fall Term of the Etowah County Grand Jury and charged with four counts of Sale of Unregistered Securities; three counts of Fraud in the Sale of a Security; and, one count of Sale of Securities by an Unregistered Agent. Upon accepting his guilty plea, the Court sentenced Bush to 10 years imprisonment, split to serve 60 days before being considered for release. Upon release Bush will serve five years probation and will be required to pay victim restitution.

Based on an investigation by ASC Enforcement Division agents, beginning in Jan., 2004, Bush, identified as the owner of Bush Investments, headquartered in Gadsden, solicited \$320,000 from five Alabama investors over a three-year period. He represented to the investors that their funds were being traded in the S&P 500 through an out-of-state brokerage firm. He advised investors verbally and through fraudulent correspondence on the status of their accounts. Financial analysis of Bush's accounts and actions determined that he was operating a Ponzi scheme and that the accounts and supporting documentation were fabricated. ASC records revealed that during the period in question, Bush was not registered with the ASC to conduct securities business in Alabama, as required by law.

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.

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

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