

ALABAMA SECURITIES COMMISSION
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Von Kanel Pleads Guilty In Jefferson County to Securities Fraud and Sale of Unregistered Securities

MONTGOMERY, ALABAMA (May 9, 2007) Honorable Arthur Green, Jr., District Attorney, 10th Judicial Circuit, Bessemer, Alabama, Honorable Troy King, Alabama Attorney General and Joseph P. Borg, Director, Alabama Securities Commission (ASC) announced that Michael A. Von Kanel, a Hoover, Alabama resident, pled guilty to one count of selling unregistered securities in the State of Alabama and one count of securities fraud before Circuit Judge Teresa Petelos in Jefferson County Court, Bessemer Division on May 7, 2007. The case was prosecuted in conjunction with a related case previously settled in Coffee County in March 2007. Von Kanel was sentenced to ten years in the state penitentiary, split to serve three years, with both sentences to run concurrently. Judge Petelos will rule on victim restitution issues within the next 30 days.

“The defendant’s guilty plea represents a victory for those investors victimized by his unscrupulous deeds,” said ASC Director Borg. “We are grateful for the assistance rendered by the Attorney General’s Office, the District Attorneys in Jefferson and Coffee Counties, the ASC Prosecutor and Enforcement Division and local law enforcement agencies, including the Hoover, Alabama Police and Coffee County Sheriff; their tireless commitment guaranteed that justice was served.”

“Mr. Von Kanel has repeatedly violated the trust of people who trusted him to help them plan for a more secure future. He exploited them for his own greed, providing bogus investment schemes in exchange for their savings,” said Attorney General King. “After he continued his illegal practices despite an order from the Alabama Securities Commission to cease and desist, our offices joined forces to put a stop to his crimes. On March 30, he was convicted and sentenced for crimes in Coffee County, and today, he has been held to account and punished for crimes in Jefferson County.”

Von Kanel’s plea in Jefferson County stemmed from several indictments returned by a Jefferson County Grand Jury. The indictments alleged that during 2003, Von Kanel and others offered and sold illegal securities to residents in Jefferson County. The illegal securities were described as cash flow agreements of World Wide Wall Street (WWW), specifically connected to the implied production and sale of automobiles in Alabama and throughout the United States. The indictments alleged that none of the securities sold were registered for sale in Alabama, nor was Von Kanel registered as an agent to sell

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securities in Alabama. Additionally, Von Kanel was 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 examine any investment opportunity prior to handing their money over to possible fraudulent 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.

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If you have further questions contact Dan Lord, Education and Public Affairs Manager at 334-353-4858. Email: dan.lord@asc.alabama.gov.

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