

ALABAMA SECURITIES COMMISSION

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Former Ozark Resident Pleads Guilty to Alabama Securities Act Violations

MONTGOMERY, ALABAMA (July 1, 2011) Tom Anderson, District Attorney for the 12th Judicial Circuit, Coffee County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announced today that Sam J. Carroll III, previously a resident of Ozark, Alabama, pled guilty in Coffee County Circuit Court on June 29, 2011, to two counts of Fraud in Connection with the Sale of Securities. The Court will schedule a sentencing hearing at a later date and Carroll remains free under \$60,000 bond.

An investigation by ASC Enforcement Division agents resulted in a 12-count indictment being returned against Carroll by a November 2010 session of the Coffee County Grand Jury. The indictment alleged three counts of Sale of Unregistered Securities; three Counts of the sale of Securities by an Unregistered Agent; and, six counts of Making an Untrue Statement of Material Fact. The indictment also alleged that, in June 2007, Carroll, acting as an agent for P&C Grocers, Inc., a chain of convenience-type grocery stores in southeast Alabama and the Florida panhandle, offered and sold fictitious shares of stock to investors then used investor funds for personal expenses. The investigation also revealed that neither Carroll nor the stocks he offered and sold were properly registered with the ASC as required by the Alabama Securities Act.

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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