

ALABAMA SECURITIES COMMISSION

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Former Dallas County Man Arrested in South Carolina for Securities Violations in Alabama

MONTGOMERY, ALABAMA (July 14, 2011) Michael W. Jackson, District Attorney for the 4th Judicial Circuit, Dallas County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announced today that Jerome Yelder, formerly of Dallas County, Alabama, was arrested at his home in Columbia, South Carolina on June 27, 2011, by officers with the Columbia Police Department's Warrant Division, with assistance from ASC Enforcement Division agents and the Dallas County Sheriff's Department. Yelder waived extradition and was transported to the Dallas County jail on July 6, 2011 with bond set at \$51,000. Yelder made bond the same day and was released.

An investigation conducted by ASC Enforcement Division personnel led to an indictment being returned against Yelder by a March, 2010 session of the Dallas County Grand Jury alleging one count each of Sale of an Unregistered Security and Sale of a Security by an Unregistered Agent; three counts of Fraud in Connection with the Sale of Securities; one count of Theft by Deception, 1st Degree; and, two counts of Theft by Deception, 2nd Degree.

The ASC investigation into Yelder's actions revealed that he was listed as President and CEO of The Yelder Group LLC, incorporated in Selma, Alabama in Jan., 2008 with the stated purpose of providing high-quality substance abuse treatment and progress management services in the Dallas County area. During the period between Mar., 2008 through May, 2008, Yelder allegedly solicited funds from an Alabama resident and issued promissory notes totaling \$6,600 to the resident in the name of The Yelder Group, LLC and The Yelder Institute. The businesses allegedly had a represented business purpose of providing rehabilitation services to at-risk youth, adults and substance abuse offenders. Further investigation revealed that Yelder was to have established a residential school-like setting to provide these services. However, there was no indication that such programs were ever established in the Dallas County area and further financial analysis showed that the invested funds were not used as represented. It was also revealed that the principal investment has yet to be repaid, as called for in the promissory notes, and no return has been realized by the investor.

The ASC wishes to thank the Columbia, South Carolina Police Department and the Dallas County, Alabama Sheriff's Department for their assistance in this case.

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.

(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).

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

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