

ALABAMA SECURITIES COMMISSION

770 Washington Ave., Suite 570

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.state.al.us

JAMES F. FITCH ARRESTED FOR ALLEGED VIOLATIONS OF ALABAMA SECURITIES ACT

MONTGOMERY, ALABAMA (July 5, 2007) The Honorable M. David Barber, District Attorney for the Tenth Judicial Circuit, Jefferson County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC), announce the arrest of James Floyd Fitch, III, a resident of Shelby County, for alleged violations of the Alabama Securities Act. On June 27, 2007, agents with the ASC assisted the Shelby County Sheriff's office in the execution of an arrest warrant at Fitch's residence in Hoover.

After resisting arrest, which resulted in an additional charge, Fitch was taken into custody by Shelby County Sheriff's Deputies and placed in the Shelby County Jail for transfer to Jefferson County. In Jefferson County, Fitch was formally charged with a 32-count indictment handed down by the June 2007 session of the Jefferson County Grand Jury. In the indictment, Fitch was charged with 20 counts of Selling Unregistered Securities, one count each of Selling Securities While Unregistered as a Securities Agent and Fraud in Connection with the Offer and/or Sale of Securities, all Class C Felonies under Alabama law. Additionally, Fitch was charged with 10 counts of Theft of Property in the First Degree, a Class B Felony. Fitch was subsequently released after posting a \$20,000 bond.

The unregistered securities allegedly sold by Fitch were identified as investment contracts for multiple real estate development projects. Fitch's activities led to the solicitation of more than \$2.7 million from more than 25 victims.

The Director of the ASC cautions potential investors to thoroughly scrutinize and research any investment opportunity or offer. Contact the ACS with inquiries concerning securities broker-dealers, agents, investment advisors, investment advisor representatives, financial planners, the registration status of securities, to report suspected fraud or to obtain consumer information.

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

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