

ALABAMA SECURITIES COMMISSION

Post Office Box 304700

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.alabama.gov

**Former FBI Agent and Attorney Sentenced to 20 years
for Violations of the Alabama Securities Act**

MONTGOMERY, ALABAMA (August 26, 2011) Brandon K. Falls, District Attorney for the 10th Judicial Circuit, Jefferson County, Alabama; and, Joseph P. Borg, Director of the Alabama Securities Commission (ASC) announced today that Cary Alan Burdette, a resident of Trussville, Alabama, a former FBI agent and local attorney, was sentenced by Judge Laura Petro today to 20 years split to serve 5 in a state penitentiary and ordered to pay over \$4 million in restitution to victims. The sentence was the result of Burdette's guilty plea to three counts of Fraud in Connection with the Sale of Securities entered in Jefferson County Circuit Court in July, 2011. Burdette was ordered to report to prison on October 3, 2011.

A Jefferson County Grand Jury indicted Burdette in April, 2009 on 13 counts of Fraud in Connection with the Sale of Securities and one count each of Sale of an Unregistered Security and Sale of Securities by an Unregistered Agent, as well as four counts of Theft of Property 1st Degree. Burdette turned himself in to the Jefferson County Sheriff's Department on April 14, 2009 and was released on \$100,000 bond and ordered to surrender his passport. He had been the focus of an ASC Enforcement Division investigation into his activities involving several Alabama investors since 2008.

The ASC investigation revealed that Burdette sold promissory notes/assignment notes to several Alabama investors with promised returns between eight and 12 percent. Burdette represented that investors' money was to be invested in real estate and medical technology ventures with returns to be paid at a specified time. However, financial analysis concluded that Burdette used the majority of investor funds, approximately \$4 million, to pay previous investors in a Ponzi-type scheme and for his personal benefit. ASC records showed that neither Burdette, nor the securities he offered and sold to investors, were registered with the ASC, as required by the Alabama Securities Act.

"We are extremely pleased with the outcome of this case and feel that justice has been served for the Alabama victims who trusted this man with their hard-earned savings," said ASC Deputy Director Randall McNeill and prosecutor for this case. "This Commission wants to make it abundantly clear to financial criminals that Alabama is not the place they want to do business and that no one is above the law regardless of their profession or previous position. We want to thank the Jefferson County District Attorney's office and Sheriff's Department for their excellent assistance with 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.

###

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

ALABAMA SECURITIES COMMISSION

Post Office Box 304700

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.alabama.gov