

ALABAMA SECURITIES COMMISSION

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Governor Ivey Signs Bill to Help Alabama Victims of Theft by Deception Receive Restitution

MONTGOMERY, ALABAMA (June 11, 2019) The Alabama Legislature passed “The Aggravated Theft by Deception” Act which creates an unclassified felony for fraud cases that involves theft of large sums of money. Governor Kay Ivey signed the Act into law on June 10, 2019.

State House Representative Chris Sells (R), 90th District and State Senator Greg Albritton (R), 22nd District, worked together in introducing this bill to their respective branches (HB 57 and SB 70). The new law was drafted by the Alabama Securities Commission (ASC) in consultation with State Representative Mike Jones (R), 92nd District, and passage in the Senate was supported by State Senator Rodger Smitherman (D), 18th District.

The new law is narrowly tailored to specifically address fraudulent conduct that results in theft committed by fraudsters who deceive victim(s) in a long-term scheme for amounts of \$100,000 or more from public funds (derived from taxpayers of Alabama) or \$200,000 or more of individual or business funds. The bill focuses on theft of cash and cash equivalents such as investments, trust accounts and nest egg accounts. The Aggravated Theft by Deception Law is specifically written to grant prosecutors greater ability to obtain repayment of restitution for the victims of such fraudulent schemes. The new statute of limitations allows prosecution of the crime for up to six years from the time that the theft is discovered. The new law will assist in preventing fraudsters from escaping prosecution from a well-executed scheme that may take years to discover. Additionally, the period of probation is extended from 5 years to 10 years in order to address restitution to victims. The law is intended to address complex



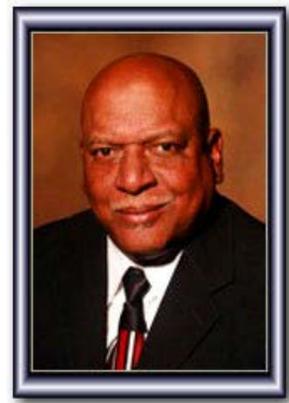
Senator Greg Albritton



Representative Chris Sells



Representative Mike Jones



Senator Rodger Smitherman

frauds such as the scheme executed by Bernie Madoff and other long-term schemes by means of fraudulent accounting.

Alabama State Representative Chris Sells said, "I was honored to introduce this bill. This law is an important step in the right direction to make accountable those white collar criminals who victimize Alabamians who have worked hard and sacrificed to prepare for a comfortable retirement."

Alabama State Senator Greg Albritton said, "To protect our citizens and our businesses I am pleased to have introduced this bill which will deter criminals from stealing from Alabamians. In addition, our small business entrepreneurs can be protected from con artists who destroy their hard work. Victims who lose their life savings often decline rapidly in physical and mental health and some may lose their homes and ability to pay for health care."

ASC Director Borg commented: On behalf of the citizens and business owners in Alabama, the ASC thanks Representative Chris Sells and Senator Greg Albritton for sponsoring their respective bills, Representative Mike Jones for his support in the drafting of the law and Senator Rodger Smitherman for his support for passage in the Senate. To all the Senators and Representatives, the ASC extends its appreciation for their dedication and advocacy on behalf of all Alabamians. With their help, this bill passed with broad support from all in the Alabama Legislature.

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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