

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

Troy, AL Man Arrested for Alleged Securities Law Violations in Lee and Montgomery, AL Counties

MONTGOMERY, ALABAMA, (August 13, 2019) Daryl Bailey, District Attorney for the 15th Judicial Circuit, Montgomery County, Alabama; Brandon Hughes, District Attorney for the 37th Judicial Circuit, Lee County, Alabama; and Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that on August 9, 2019, Jesse Morgan Hinson, of Troy, Alabama, was arrested for alleged violations of the Alabama Securities Act after the July 2019 Lee County and Montgomery County Grand Juries returned indictments. Hinson was taken into custody and transported to the Lee County Sheriff's office. Hinson has made bond in both cases.

Hinson is charged in each county with one count of Sale of Unregistered Securities and one count of Sale of Securities by an Unregistered Agent, which are Class C felonies, punishable by from one year and one day to 10 years' imprisonment and a \$15,000 fine per charge, upon conviction. Additionally, the indictments charge Hinson with two counts of Fraud in Connection with the Sale of Securities for making misrepresentations or omissions of material fact to an investor and for engaging in an act, practice or course of business which operates as a fraud or deceit upon an investor. The fraud charges are Class B felonies, carrying a punishment of from two to 20 years' incarceration and a \$30,000 fine per charge, upon conviction.

According to the indictments, Hinson represented to Alabama investors that he was the heir to a multi-billion-dollar fortune and promoted investment opportunities related to the buying and selling of real estate. Between January 2016 and July 2019, Hinson allegedly solicited investments in land deals and represented to the investors that the investments would return a profit in a short amount of time. The indictments further allege that the investment funds were not used in accordance with the representations made by Hinson. Hinson was not registered with the ASC as a dealer or agent of securities in Alabama, nor were the securities he offered and sold registered with the ASC as required by state law.

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.

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(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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