



PRESS RELEASE

Attorney General Frosh, Securities Division Sanction Fraudulent Ponzi Scheme Promoter *Defendants Ordered to Pay Nearly \$4 Million Penalty*

BALTIMORE, MD (January 4, 2019) - Maryland Attorney General Brian E. Frosh announced today that his Securities Division obtained an injunction against Ronald D. Morley, Diane Morley, and the Morleys' companies, the New Wealth, LLC, Main Street Estate Group, Inc. and Jenny DB Properties, LLC, for violations of Maryland law related to the sale of fraudulent securities of Summit Trust Company and other issuers.

The civil complaint charged the defendants with 11 counts of violating the Maryland Securities Act in connection with their involvement in multiple fraudulent offerings of unregistered securities issued by the Morleys' companies and by Summit Trust Company, a Nevada chartered trust company. Simultaneously with the filing of the complaint, the Morleys consented to the entry of both an administrative Consent Order and a civil Final Judgment and Consent Order for Permanent Injunction that, among other things, assesses a civil monetary penalty of \$3,999,715 against the Morleys.

"The Morleys victimized Marylanders who unwittingly invested in their fraudulent scheme," said Attorney General Frosh. "The sanctions we imposed, though large, were warranted by the serious misconduct engaged in by the defendants. The Securities Division of my office will continue to take action to protect the hard-earned savings and investments of Marylanders."

According to the complaint, from mid-2008 through early 2014, the Morleys induced at least 130 investors in nine states to invest in a \$33 million ponzi scheme to purchase Summit Trust preferred stock, for which the Morleys were paid commissions in excess of \$3.1 million. The Morleys also issued and sold to investors their own securities in the form of promissory notes issued by Main Street and Jenny DB Properties.

The Morleys were not registered to sell securities or to offer investment advice, nor did they disclose to their clients other material information related to the investments or to their own disciplinary history, including a 2006 Securities Division final order barring them from the securities and investment advisory business because of earlier violations of the Securities Act, including the antifraud provisions, in connection with their offer and sale of Mexican-based real estate investments.

Diane Morley also uses the names J. Diane Morley and Jennie Morley, and was formerly known as J. Diane Burda, Diane J. Burda, and Jennie Burda.

Attorney General Frosh strongly encourages investors to call the Securities Division at 410-576-6360 before they invest with anyone to verify that the investments and the individual are appropriately registered, and to inquire about any disciplinary history.

A copy of the Consent Order and Final Judgment can be found [here](#).