

# Fraud Alert!

August 30, 2005

## PHONY REGULATORS

Scam artists newest ploy is to pose as securities regulators who recommend to their victims the purchase of certain stocks, giving the impression that those stocks are regulated and approved. To help investors determine if they are dealing with a bogus regulator, the North American Securities Administrators Association (NASAA) issued the following warning signs:

1. You cannot find references to them on any other regulatory websites. If you can't find information about the "regulator" on the site of the International Organization of Securities Commissions, [www.iosco.org](http://www.iosco.org), they probably are not a legitimate regulator.
2. They endorse or approve any investment opportunity, stock, or company. Legitimate regulators are not in the business of promoting any deal, only enforcing securities laws and ensuring fair dealing.
3. They say that paying a fee to "release restricted shares" is anything other than an attempt to steal your savings. This is a common ploy, and a recent twist on age-old advance fee schemes.
4. Little or no information about the "regulator" appears in Internet search engines. Any legitimate regulator should generate hundreds of entries in any Internet search engine.
5. If you talk to other regulators, and they say they have "never heard of them," you are most likely dealing with a fake regulator. Contact information for state and provincial regulators in the United States, Canada and Mexico can be found at [www.nasaa.org](http://www.nasaa.org).

**Need help?**

**Call the CASE Assistance Line**

**720-874.8547**

