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**For More Information Contact:**  
Beth Kaufman

**Jesse White's Investor Protection Legislation Giving Victims of Investment Fraud More Filing Freedom  
Approved by the House**

Illinois Secretary of State Jesse White initiated an important investor protection legislative measure that would allow victims of investment fraud a more reasonable amount of time when filing a complaint. The legislation was approved yesterday by the Illinois House of Representatives and now moves to the Senate for consideration.

House Bill 2969 eliminates a provision of the securities laws that set a strict and burdensome time limit for investors to file a private action. Currently, victims must file an action within three years of discovering they have been defrauded, but no later than five years from date of purchasing the investment. Under the new bill, people who purchase long-term investments or who are promised a return after a five-year period would have the right to file a lawsuit within three years of when they discover or should have discovered that they were defrauded.

"The reality is that there are plenty of long-term investments and investment frauds may be well hidden for many years," said White. "Victims of fraud should have the right to sue the people who took their hard-earned money. This legislation gives people who have been wronged a reasonable time to seek private remedies."

Some of the largest investment scams in history, such as the Bernie Maddoff scheme, show how fraud can continue undetected for many years. In Illinois, the Secretary of State Securities Department receives hundreds of complaints each year from investors, many of whom are senior citizens who have been with the same broker or investment adviser for many years.

"When you know someone for a long time, you tend to trust them," said White. Numerous cases investigated by the Secretary of State's Securities Department involved brokers and promoters who mislead investors with false promises, fake financial statements, and other violations that hid fraud from investors for many years. An example of a long term fraud is the case of Nevin Gillette, a Rock Falls broker who defrauded more than 50 investors out of millions of dollars in a scam that spanned eight years. He was finally discovered, prosecuted and sentenced to 11 years in prison.

House Bill 2969 was sponsored by State Rep. Mike Smiddy (D-Port Byron).

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