



Jesse White

SECRETARY OF STATE

NEWS

For Immediate Release
September 2, 2005

For More Information:
Penelope Campbell

Secretary of State Jesse White Warns Public of Hurricane Katrina-Related Investment Scams

Illinois Secretary of State Jesse White today advised the public to beware of investment scams that may arise in the wake of the widespread devastation caused by Hurricane Katrina.

“Unfortunately, whenever such tragedy strikes, there are those who attempt to take advantage of the situation and its victims” said White. “I want to make sure investors and those who want to help victims of Katrina aren’t throwing hard-earned money away.”

Many of the scam artists prey upon the public using telephone sales people, advertisements, or Internet postings that tout investment pools or bonds to help hurricane victims. They may also advertise supposed water removal or purification technologies and electricity generating devices. These advertisements should be a red flag for investors, White noted.

White also urged investors to watch out for oil and gas scams given the rising price of gas and the prospects of even higher prices following Katrina’s destruction of Gulf of Mexico oil refineries.

“In the world of investing, if it sounds too good to be true, it likely is. I encourage the investing public to fully check out a potential investment by first calling the Illinois Securities Department to determine if it is properly registered,” White said.

The Illinois Securities Department is responsible for regulating the securities industry in Illinois, which includes the registration of investment products and those who sell them. The Department can be reached at 1-800-628-7937.

White suggested a few tips to help investors avoid loss:

- Hang up on cold callers promoting phony oil and gas investments.
- Beware of e-mail or Internet messages discussing small companies with new hurricane related technologies or products.
- Use common sense: if the profits sound too good to be true, it is probably a scam.

##