

ALABAMA SECURITIES COMMISSION
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Alabama Securities Commission Issues Cease and Desist Order for British-Based Profitable Sunrise

MONTGOMERY, ALABAMA (Mar.14, 2013) Joseph Borg, Director of the Alabama Securities Commission (ASC) announced that the agency has issued a Cease and Desist Order for a Birmingham, England-based company known as "Profitable Sunrise." The company has allegedly attempted to sell unregistered investment contracts in several other states and Canadian provinces. The Alabama Cease and Desist Order specifies that the company immediately halt further offers or sales of any security within, into, or from the State of Alabama.

The Cease and Desist Order lists Roman Novak and Radoslav Novak as officers of Inter Reef, Ltd., doing business as Profitable Sunrise, a company headquartered in the United Kingdom. The Order also lists Melton McClanahan and Adam York as agents of the company. An investigation of the company's actions revealed that the men allegedly promoted at least five different "investment plans" through a website used to promote Profitable Sunrise investment program and disseminate information to potential investors regarding the company's various investment opportunities. Such investment opportunities allegedly offered return rates ranging from 1.6% per business day to 2.7% per business day for periods of from between 180 to 240 business days. Investors were told that their money would be used to fund short-term, "risk-free" loans to businesses and that "all funds deposited with us are insured against loss" by a leading investment bank. Further investigation showed that victims had been instructed to wire money to financial institutions in Eastern Europe, including one bank identified as being in the Czech Republic. ASC records indicate that none of the company officers or agents named in the Order, nor the company they represent, are registered to conduct securities business in Alabama, as required by the Alabama Securities Act.

"Alabama citizens are encouraged to proceed with the utmost caution and be keenly aware of the potential perils associated with web-based investment marketing," said ASC Director Borg. "As with all investments, potential investors should thoroughly scrutinize the offers and the background of those making the offer, especially if it comes from a foreign country. Any investment being offered to Alabama citizens, as well as any person making the offer, must be registered with the Alabama Securities Commission. Investigating before investing is a crucial first line of defense in combating con artists and investment fraud."

Borg urged anyone in Alabama who has invested with Profitable Sunrise to contact the ASC's Enforcement Division at 1-800-222-1253.

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.

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For further information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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